CANADA

HOUSE OF COMMONS DEBATES

OFFICIAL REPORT

FOURTH SESSION—TWENTY-FOURTH PARLIAMENT

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HOUSE OF COMMONS

Thursday, May 11, 1961

The house met at 11 a.m.

BUSINESS OF THE HOUSE

ADDRESS BY PRESIDENT OF UNITED STATES TO BOTH HOUSES OF PARLIAMENT

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, as the house knows, the President of the United States will speak to a joint meeting of the House of Commons and Senate on Wednesday afternoon beginning at 2.30. It occurred to me that the house might give some consideration to the order of business that day.

As usual the house will convene at 11 o'clock in the forenoon. We could then continue until one o'clock. Many preparations have to be made in order to make possible the joint meeting of the two houses, and by the time the afternoon proceedings have concluded and we are in a position to have the staffs clear away the chairs, radio, television equipment and the like, most of the afternoon would have passed away before any business could be done.

I hope the house might agree that at the conclusion of the President's address we would not reconvene. If that is accepted in place of a motion, I offer to the house the suggestion that on Wednesday next at one o'clock when the adjournment takes place the house be formally adjourned until the next day. I hope there can be agreement in that connection.

Hon. L. B. Pearson (Leader of the Opposition): The arrangements which the Prime Minister has outlined for next Wednesday are satisfactory to us on this side.

Mr. Hazen Argue (Assiniboia): Agreed here, also.

Mr. Speaker: Then I take it that by unanimous consent the house orders that on Wednesday next when the house adjourns at one o'clock it shall stand adjourned until the following morning at eleven o'clock.

HOUSE OF COMMONS

ARRANGEMENTS FOR PHOTOGRAPH OF HOUSE IN SESSION

Mr. Speaker: While we are discussing the arrangements for Wednesday, may I ask leave of hon. members—and if there is no dissident voice I take it I have leave—to arrange a photograph of the house. We shall have the facilities in connection with the President's visit and, the following morning, a good photograph, which does not exist today, of the house in session could be taken by leaving some equipment here for that purpose.

I would not consider making the arrangement if there were any objection raised in regard to it, but if there is not I think hon. members might like to have a good photograph of the house in session which we could use in our gallery pamphlet and booklets.

NATIONAL DEFENCE

NATO—TABLING OF COMMUNIQUE ON OSLO MEETING

Right Hon. J. G. Diefenbaker (Prime Minister): Yesterday I stated that I would ask leave to table a copy of the communique which was issued at the conclusion of the NATO ministerial meeting which took place in Oslo from May 8 to 10. I should also like to make a statement to supplement the communique. The Secretary of State for External Affairs will, when he returns, give the house the benefit of the impressions he formed in the course of the meeting. However, there are some general observations which might be made.

The NATO foreign ministers usually meet in the spring each year to review the various problems confronting the alliance. Military problems are not excluded from the discussion, although the defence posture of the alliance is usually examined in greater detail at the December meeting, which is attended as well by the defence and finance ministers of the various member countries. It was the first meeting of the council under the chairmanship of the new secretary general, Mr. D. U. Stikker of the Netherlands.

In Oslo the foreign ministers stressed once more the defensive character of the alliance, but recognized that the menace which drew them together is now not only military but also has world wide political, economic, scientific and psychological aspects. They reaffirmed NATO's determination to help build a world free from war and also free from the false Marxist doctrine of continuing and inevitable conflict.

One of the main threats to world peace is the lack of progress in the solution of the problem of Germany, including Berlin. The

foreign ministers re-emphasized that such a solution can only be found on the basis of self determination. They reiterated the determination of all to maintain the freedom of West Berlin and its people. As to the often repeated threat by the Soviet union to sign a separate peace treaty, they reaffirmed the statement in the 1958 declaration that the denunciation by the Soviet union of the inter-allied agreements on Berlin can in no way deprive the other parties of their rights or relieve the Soviet union of its obligations.

While Germany and Berlin may be the most immediate potential cause of friction between the Soviet and the west in Europe, the NATO council continued to be concerned about the need for progress toward disarmament. The council expressed the hope that the proposed discussions between the United States of America and the U.S.S.R. would permit the resumption of negotiations at the end of July, and reaffirmed the western objectives of disarmament by stages under effective international control. A major first step toward disarmament would be the conclusion of an agreement on the suspension of nuclear tests. The foreign ministers expressed the hope that the U.S.S.R. would revise its attitude and will agree to consider the draft treaty tabled by the United States of America and the United Kingdom.

The council also gave high priority to the question of assisting less developed areas of the world and of NATO in raising their standards of living.

The ministers stressed once more the need for close consultation between NATO members to develop an increased unity of purpose within the alliance. This question of consultation has been the subject of consideration throughout the years, and more and more it becomes mandatory that consultation shall be even closer than it has been heretofore.

The ministers also instructed the permanent council to keep under constant review NATO's military posture and to report to the ministerial meeting in December.

Sir, with the leave of the house I table the communique.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, it is interesting to receive this preliminary report from the Prime Minister on the NATO meeting in Oslo. We will no doubt be hearing in greater detail from the Secretary of State for External Affairs, when he returns, as to the results of the meeting. There is no doubt that this meeting took place at a very important moment in NATO's history, and that there were many problems and difficulties which had to be faced.

We all hope that the meeting itself, under the chairmanship of the distinguished new secretary general, Mr. Stikker, will help to ensure progress in the solution of these problems and difficulties. It is clear from the communique that many of these problems are concerned with issues strictly outside the NATO geographical area, but from which NATO members cannot isolate themselves. It is important that NATO should make progress, and it is satisfying to learn that this council meeting has made some contribution to that progress. At this time, of all times, NATO should be strong and united, not only for defence but in the building up of the North Atlantic community.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I am sure we all listened with interest to the statement of the Prime Minister with respect to the communique issued at the conclusion of the NATO meeting. We in this group were very glad to hear of the change of direction, and that emphasis is not only being placed on the military aspect but on the psychological, cultural and economic aspects, as well as the desire of NATO to work to develop self determination. When we say that we must not forget that there is one country which is a member of NATO, Portugal, which has a colony known as Angola where there is slave labour and suppression of freedom.

Mr. Speaker: Order. I think the matters on which the hon. member is commenting do not arise from the statement of the Prime Minister. That statement was made for the information of the house, and does not give hon. members an opportunity to roam about the field of international affairs.

Mr. Herridge: Mr. Speaker, I did not intend to wander, but was making those remarks as a prelude to my conclusion. We in this group are very pleased to know that the Secretary of State for External Affairs is concerned with these matters.

HIGHWAYS

NEW BRUNSWICK—AGREEMENT ON CONSTRUCTION OF ACCESS ROAD

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, I am pleased to announce that under the roads to resources program, agreement has been reached with the province of New Brunswick for the immediate construction of an important road to develop the resources of that province. Construction of some 75 miles of road in the north central part of New Brunswick west of Bathurst, to provide access to a major mineralized zone, is involved in the project.

The first stage of construction provides for a road north from Heath Steele across the Nepisiguit river and thence westerly for two miles to the Wedge property of Consolidated Mining and Smelting Company. This will bring the mine into production and reactivate the smelter at Heath Steele by 1962. The cost of construction of this section of road will be divided among the province, the federal government and the company directly benefiting. In subsequent years this road will be extended north a further 16 miles to connect with an east-west development road of approximately 50 miles in length to be constructed under this program.

It is expected that the project will result in a mining complex which will make a real contribution toward stimulating employment and economic opportunities generally in the northern part of the province. I think hon. members will agree it is an excellent example of the kind of resource development contemplated in the roads to resources program.

EXTERNAL AFFAIRS

CUBA—REPORTED EXISTENCE OF SOVIET MISSILE BASE

On the orders of the day:

Mr. C. W. Carter (Burin-Burgeo): May I put a question to the Minister of National Defence, Mr. Speaker. I apologize for not giving him notice, but I have been in committee since 9.30 and did not have an opportunity to reach him. Has the minister any information that would indicate the existence of a Soviet missile base on the island of Cuba? Would the minister care to comment on a press report over the radio this morning concerning this possibility?

Mr. Speaker: Order. Was the hon. member's question about a missile base in Cuba?

Mr. Carter: Yes, Mr. Speaker.

Mr. Speaker: I fail to see how the hon. member can bring that subject under the jurisdiction of the Minister of National Defence.

Mr. Pearson: Mr. Speaker, would you not agree that a Soviet missile base in a neighbouring country would be a matter of concern and interest to this country and its government?

Mr. Speaker: I agree that it is a matter of interest, but I do not think it is the administrative responsibility of the Minister of National Defence.

Mr. Pearson: Is it not part of the responsibility of the minister and the government to consider a missile base in an adjoining country?

Mr. Speaker: Perhaps so, but it is not of such immediate consequence and urgency as to permit a question to be asked at this time. I think hon. members will agree that if I permitted the question it would be permissible to ask whether any of the republics in Africa were acquiring submarines for the purpose of attacking Canada, or a variety of questions on which obviously the house should not spend its time on the orders of the day; therefore, with all due respect to the hon. member who posed the question, I do not consider it appropriate.

BUSINESS OF THE HOUSE

ROYAL COMMISSION ON TRANSPORTATION—INTRODUCTION OF LEGISLATION THIS SESSION

On the orders of the day:

Mr. Hazen Argue (Assiniboia): I should like to direct a question to the Prime Minister. Is the Prime Minister in a position to inform the house whether legislation will be introduced at this session based on the MacPherson royal commission report on transportation? I wonder whether the Prime Minister could assure those communities in the country which are dependent on branch line railway service that there will be no wholesale abandonment of branch railway lines pending the introduction of legislation based on this report.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, as one who knows something of the advantages of branch lines in the province of Saskatchewan in the early years, continuing until today, I am sure every consideration will be given by the railroads to assuring that in the years ahead the services rendered shall be those that are requisite.

HEALTH AND WELFARE

DORVAL AIRPORT—COMPLAINTS RESPECTING VACCINATION PROCEDURE

On the orders of the day:

Hon. Lionel Chevrier (Laurier): I should like to direct a question to the Prime Minister. Has he received a communication from Mr. Woodrow Wyatt, United Kingdom member of parliament, or from any other passengers travelling from overseas by air complaining about the procedure involved in getting their vaccinations checked at the Montreal airport?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, almost simultaneously with the receipt of a letter dated the 8th of this month I heard the substance of that letter over the radio. That is just a coincidence, but it indicates that even before I had an

opportunity to have the matter looked into the requisite publicity was given to it by someone not connected with my office. The Minister of National Health and Welfare may be able to give an answer with respect to the matter raised.

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, I was sorry to learn that Mr. Woodrow Wyatt experienced inconvenience during his medical clearance at Dorval. Because of limitations of space it simply has not been possible to clear passengers in a location other than the main terminal building. However, I have been trying to improve this situation, and a small office closer to the landing field will be opening very soon on a trial basis. This involved some construction and the provision of vaccination facilities, but all the arrangements are virtually completed.

Mr. Chevrier: I should like to ask the Minister of Transport a supplementary question. Is anything being done by the departmental officials concerning the long distances it is necessary for passengers to walk in order to embark or disembark at Montreal airport?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, we are always open to any good suggestions. We have received suggestions from time to time from the general public and from members of parliament, and I can say that at the present time my department has the matter under very serious consideration.

Mr. Chevrier: Has consideration been given to moving walks such as I understand are used in many other terminals?

Mr. Balcer: The information I have is that this would involve an expense of close to $300,000. I also understand that the experience with these walks has not been a very happy one. Before we do anything along this line we must make sure that we have the type of facility that will really render good service to the public and at the same time will not involve too heavy a burden on the taxpayers.

Hon. J. W. Pickersgill (Bonavista-Twillingate): I should like to address a supplementary question to the Minister of National Health and Welfare. In the case of persons who have vaccination certificates and are simply in transit, would it not be possible to have them checked right on the aircraft and only require those persons who do not have certificates to disembark?

Mr. Monteith (Perth): I am going to look into this particular case and one or two other complaints I have had along this line and examine them very carefully.

[Mr. Diefenbaker.]

THE CENSUS

BROADVIEW RIDING—POLITICAL AFFILIATION OF COMMISSIONERS

On the orders of the day:

Mr. J. R. Garland (Nipissing): I should like to direct a question to the Minister of Trade and Commerce. Can the minister tell us whether the four ladies appointed census commissioners in Broadview riding, and who are members of the Broadview-Riverdale women's Progressive Conservative Association have husbands and whether these men are gainfully employed?

Hon. George H. Hees (Minister of Trade and Commerce): Mr. Speaker, some have and some have not.

Mr. Garland: Would the minister answer the important balance of the question?

Mr. Hees: I did not notice that there was any important balance of the question.

Mr. Garland: It may not be important to the minister, but it is important to national employment.

(Translation):

SHIPPING

ST. LAWRENCE RIVER—PROPOSED YEAR ROUND OPERATION

On the orders of the day:

Mr. H. Pit Lessard (St. Henry): Mr. Speaker, I wish to direct a question to the Minister of Transport.

Has the government received representations from the provincial government in Quebec concerning the possibility of keeping the St. Lawrence open for shipping on a year-round basis, and could the minister indicate what is the position of the federal government in this regard?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I do not recall having received any such communication from the provincial government in Quebec.

However, with regard to the second part of the hon. member's question, may I say that the Department of Transport is interested in any suggestion or any study that could lead to an improvement of shipping in Canada.

TRANSPORT

SOULANGES CANAL—LETTER FROM MEMBER FOR VAUDREUIL-SOULANGES

On the orders of the day:

Mr. Gaston Clermont (Labelle): Mr. Speaker, I wish to direct a question to the Minister of Transport.

Has the minister seen a letter published in *Le Devoir* on May 8, 1961 over the signature of the hon. member for Vaudreuil-Soulanges, concerning the Soulanges canal?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I have not read the letter in question, but I must say I have had several exceedingly constructive talks on that subject with the member for Vaudreuil-Soulanges.

Mr. Clermont: A supplementary question, Mr. Speaker. Could the Minister of Transport indicate under what authority the hon. member for Vaudreuil-Soulanges prevented the Soulanges canal from being turned over to the province of Quebec?

Mr. Balcer: Mr. Speaker, this government always pays close attention to responsible suggestions made by hon. members with regard to any such projects.

I think the offer we made to the province of Quebec to surrender for one dollar 13 miles of the Soulanges canal for the purpose of using it as a fish hatchery was reasonable and indeed generous; and our decision to temporarily set aside certain parts of the property in case some industrial concerns might be interested in locating there was justified in the circumstances.

Hon. Lionel Chevrier (Laurier): A supplementary question. Has the minister had occasion to prepare an answer to the question I asked him last week, in which I asked which chamber of commerce had asked the minister to set aside a mile of the Soulanges canal for industrial purposes?

Mr. Balcer: It is the chamber of commerce of Vaudreuil-Soulanges. I have in my hand a very well written pamphlet which indicates the industrial advantages to be found in this beautiful area close to Cascades, which, as requested by the hon. member for Vaudreuil-Soulanges, we are anxious to offer to Canadian or foreign industries.

(Text):

P.E.I. CAUSEWAY—REQUEST FOR FINAL REPORT

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): May I ask the Minister of Public Works whether he expects to have available for the house before the end of this month the final report on the feasibility and cost of the causeway to Prince Edward Island?

Hon. D. J. Walker (Minister of Public Works): As you know, Mr. Speaker, this is a tremendous project and of necessity requires the most minute investigation.

Some hon. Members: Oh, oh.

Mr. Walker: As to whether or not it will be available, I am not in a position at the present time to say. What significance can there be in wanting it by the end of the month?

Mr. Pickersgill: If I may, I should like to ask the minister a supplementary question. Does he not realize that the people of Prince Edward Island would like him to get on with this project as was promised?

Mr. Walker: For 22 years under the Liberal administration nothing was done.

Mr. Pickersgill: The usual answer.

Mr. Peters: You'll have to wait for the New party for that to happen.

Mr. Howard: I decline to comment on that last interjection, although I think it is a quite proper one.

SPRINGHILL, N.S.—STATEMENT ON MAINTENANCE OF RAILWAY SERVICE

On the orders of the day:

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, on Tuesday the hon. member for Bonavista-Twillingate inquired concerning the spur line from Springhill to Springhill Junction. I might say that the hon. member for Cumberland recently came to see me with a delegation from the town of Springhill, and the additional representations put forward were referred to the Canadian National Railways. There have also been discussions with the provincial government, but all I can say at the moment is that the matter is still under very serious consideration.

TRANS-CANADA HIGHWAY

REQUEST FOR INCLUSION OF HIGHWAY IN BRITISH COLUMBIA

On the orders of the day:

Mr. Frank Howard (Skeena): While I am on my feet, I wonder whether I might ask if the Minister of Public Works is in a position to give an answer to my question of yesterday.

Hon. D. J. Walker (Minister of Public Works): In answer to the hon. member, Mr. Speaker, may I say that the hon. member for Comox-Alberni asked a similar question of the former minister of public works. The answer was then and still is that the locale of the trans-Canada highway or its route was fixed by the province of British Columbia

at the inception of the agreement, and on each renewal of the agreement the same route has been signified and was included in schedule A of the agreement last year, namely from Nanaimo to Victoria on Vancouver Island. The hon. member will therefore appreciate that there is no legislative authority which we could invoke under the Trans-Canada Highway Act to make any extensions.

As a matter of fact we would be very grateful if the province of British Columbia would undertake to complete as soon as possible the very large amount of highway which still has to be completed. To this end I wish to reiterate that the federal government has spent in the province of British Columbia upwards of $100 million on this highway.

Mr. Howard: I have a supplementary question. I wonder if I may ask the minister, with respect to the questions asked by the hon. member for Comox-Alberni of the minister's predecessor, whether those questions were predicated upon telegrams or communications from the highways minister also, or whether perhaps this particular telegram to which he refers has some connection with events in Esquimalt-Saanich?

Mr. Walker: Mr. Speaker, I certainly admire the perspicacity of the hon. member who has asked that question. I think the minister of highways in British Columbia is always flying a political kite one way or another.

PUBLIC SERVICE

PUBLIC RELATIONS OFFICER, HIGH COMMISSIONER TO U.K.

On the orders of the day:

Mr. Frank Howard (Skeena): Yesterday, Mr. Speaker, I appear to have had a great deal of difficulty with the *Hansard* reporters. I wonder if I could ask for another correction. At page 4604, in a question to the Prime Minister, I am quoted as saying "the salary structure and promotion steps of Mr. Stepler". What I said was "the salary structure and expense allowance". I wonder whether the Prime Minister is in a position to answer that question?

Mr. Speaker: If the hon. member will read further in *Hansard* he will find that I suggested that the question should be put on the order paper. May I say also that the time of the house is valuable, and that it should not be taken up in making unimportant corrections in *Hansard*. The opportunity is afforded to every member to go to the editor's office, read the script of what he has said, and make his corrections on the day the speech is made. There is also an opportunity to make corrections in the final revised copy. I therefore think it is incumbent on all hon. members to use restraint in using the time of the house for the purpose of making corrections in the reports of the debates.

Mr. Howard: Mr. Speaker, on a question of privilege affecting myself and every hon. member of this house, while I cannot find the direct *Hansard* reference immediately I recall a statement by Your Honour on a previous occasion in which you admonished hon. members for making corrections in *Hansard* in the *Hansard* office and said the proper place to make them was in the house itself.

Some hon. Members: No.

Mr. Howard: Yes.

EXTERNAL AFFAIRS

VISIT OF PREMIER OF ISRAEL TO CANADA

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, may I revert to motions because of an announcement to be made respecting a visit to Canada?

Mr. Speaker: Has the Prime Minister leave to revert to motions?

Some hon. Members: Agreed.

Mr. Diefenbaker: Mr. Speaker, it gives me great pleasure to inform hon. members of this house that the premier of Israel, Mr. David Ben-Gurion, has accepted an invitation to visit this country. He will arrive in Ottawa on May 24 for a two day visit and will thereafter spend a brief period privately in this country. He will be visiting the United States, of course, during the month.

Canada will welcome Mr. David Ben-Gurion as the distinguished leader of a young and vigorous state whose energy and guidance have been so important in the rapid progress made by his country. It is the hope of the government and people of Canada that the close and friendly relations which have existed between our countries since the founding of Israel will continue to grow. The visit is regarded as a further step in that direction.

This will be the premier's first visit to Canada as premier of his country. During the visit matters of common interest to our two countries will be discussed, and I feel sure both countries will benefit by the exchange of views which will be made possible by the visit.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, in recent years Canada has received many very distinguished visitors, but I am sure none has been given a warmer welcome than will be given

Premier Ben-Gurion, not only because of the distinction of his own achievements but because he represents a state which has become a bastion of progressive democracy in the Middle East and which has very close and friendly relationships with our own country and our own people. We hope this visit of Premier Ben-Gurion will make those relationships even stronger.

Mr. Hazen Argue (Assiniboia): Mr. Speaker, the announcement of the Prime Minister is most welcome. We are very pleased that the premier of Israel has agreed to come to Canada. We acknowledge his great efforts in building a democracy in Israel. We acknowledge the great social experiment that is being conducted there, and I am sure the ties between Canada and Israel will become even stronger because of this visit.

SUPPLY

The house in committee of supply, Mr. Flynn in the chair.

DEPARTMENT OF NORTHERN AFFAIRS AND NATIONAL RESOURCES

National parks branch—

290. Canadian wildlife service—wildlife resources conservation and development, including administration of the Migratory Birds Convention Act, $823,390.

Mr. Pascoe: Mr. Chairman, under this item concerning the Migratory Birds Convention Act I should like to make a few remarks and ask the minister some questions. These questions concern the damage done to farmers' crops each fall by thousands of sandhill cranes in an area in my constituency at the northern end of Last Mountain lake.

I brought this problem of crop damage to the attention of the committee of supply last year. Because the present Minister of Northern Affairs and National Resources has assumed his portfolio since consideration of last year's estimates, perhaps I should review the situation briefly.

I should first like to congratulate the minister on the presentation of his first estimates, on the way they are passing through the committee of supply and on his direct and straightforward answers. I also wish to congratulate him on the fine work he is doing in guiding the operations of a department which covers so many fields of activity that the items of expenditure require five pages in the blue book. As well as being very large, the minister's department is very important in the government's national development program.

I imagine the minister has heard of the problem of the sandhill cranes in the Nokomis district and other areas around Last Mountain lake. I know the files in his department contain resolutions and suggestions in the matter, including appeals for an open season on the birds when they land in thousands in grain fields to feed before continuing on their way south for the winter.

I agree with the department's policy of protecting the birds from open season shooting because of the danger of killing one or more of the nearly-extinct whooping cranes which sometimes accompany flocks of sandhill cranes on their flight south. Last August the minister's department conducted a three-week survey of the sandhill cranes and their feeding habits around Last Mountain lake. A news report in the Nokomis *Times* provides some interesting details, and perhaps I may just refer to it:

> The study was concentrated in an area of some 400 square miles bounded by highway 2 on the west, an east-west line through Lockwood on the north, highway 20 on the east and a line from Govan to Stalwart on the south.
>
> Several methods and techniques were used to gather information on crane habits and movements and to explore the possibilities of controlling those movements.
>
> Information on the numbers of cranes and their distribution in the area was obtained from both ground and aerial observations. The crane population was estimated to number some 1,000 birds when the survey was initiated. It increased to some 5,000 birds at the end of the second week and by the end of the third week, had reached at least 15,000 birds.
>
> An 80 mile survey of some 285 seeded fields on August 31—

That is when the test was under way:

> —showed 24 per cent standing crop, 7 per cent swathed and 69 per cent harvested.
>
> Acetylene exploders were used on several crane roosting areas to try to restrict roosting and thus feeding activity to the area adjacent to a small sanctuary.
>
> Attempts were made to herd cranes by the use of a single aircraft, also by two and by three aircraft. The experiments were planned to test the effectiveness of aerial herding of feeding cranes from crop areas to adjacent water-roosting grounds and also to see if the cranes could be pushed southward along their migration route.

I might point out for the information of the minister and his officials that although there is complaint in the district because of the damage done by these sandhill cranes, there are also many people who wish to see that the birds are given all the protection possible. I have seen the losses to crops when the cranes land for a few days' feeding on their way south, and I do not wish to minimize this loss in any way.

I think some action should be taken to reduce this destruction. I am passing on a suggestion made to me by some residents of the district, that the bird sanctuary already established near Last Mountain lake be extended. Incidentally, I have a letter from Mrs. J. M. Rutherford of Govan in which

she states that this Last Mountain lake sanctuary was the first wild fowl refuge in Canada, being established by the federal government in 1887. Without too great an expense it should be possible to acquire adjoining acreage and make the present sanctuary into a large self-contained protected area on one of the main flyways of migratory birds on this continent, where wild fowl could feed without encroaching too much on farmers' land. Crops could be planted in the sanctuary and the marsh areas maintained accordingly.

Dealing with this suggestion, the Manitou *Times* states that such a scheme would be beneficial to the local economy because it would attract a large number of people to the area.

I noticed in the *Free Press Weekly* of May 3, 1961 a reference to what the government of Alberta is doing in respect to crop damage by wild fowl. I realize this is a provincial matter; nevertheless I thought I would draw the attention of the minister to it because he may be able to work with the Saskatchewan government in the same way. This reference was as follows:

> This year hunters will pay a special $1 fee into an insurance fund when they buy their provincial licence. The fund will be used to compensate farmers for crop losses caused by game and migratory water fowl.

I should like to ask the minister if he would outline his department's policy with regard to the crane problem during the present year.

Mr. Herridge: I have a few brief remarks to make on this item because I have always been interested in wildlife, as are many of my constituents. The conservation of our game birds, fish and other wildlife is a matter of great interest and local concern.

There has been considerable concern expressed in the Kootenays over the prospect of dams being built on the Columbia river, and at a recent meeting of all the rod and gun clubs in southern British Columbia, representing 3,225 members, a resolution was unanimously passed expressing opposition to the building of what is known as the High Arrow dam.

I have risen particularly to deal with the fact that last year they asked for co-operation between the federal and provincial governments in connection with a study of this whole problem—the impact of the development of these water resources on the fish and wildlife of our district. This was a topic of discussion at a meeting held in Creston and at a meeting held later, two or three weeks ago, in Vernon, and I should like the minister to tell us when he speaks what has been the result of that request, not only on the part of the rod and gun clubs but on the part of the British Columbia federation of fish and game clubs. Perhaps he will tell us what has been done in respect to research as a result of co-operation between federal and provincial agencies in respect to this matter which is of such serious importance.

There has been a long continued interest in the constituency I have the honour to represent in the preservation of Duck lake, an area at the end of Kootenay lake adjacent to Creston flats. This question has been discussed during the year between federal and provincial authorities, local rod and gun clubs and other persons interested, and I am pleased to note that Dr. Munro, who is a well known advocate of wildlife conservation, has been interested in this project for many years and supports wholeheartedly the views of those who are anxious to preserve Duck lake for the nesting of the transient ducks passing through that area. Research into this problem has been requested, and when the minister speaks I should like him to tell the committee what are the latest developments so far as wildlife conservation is concerned, what meetings have lately taken place, and the situation generally with respect to Duck lake.

Some of the farming interests and primarily commercial interests in the area are anxious to drain this lake. This sheet of water was left as the result of a compromise between those concerned with agriculture and those concerned with the preservation of wildlife. It was believed the matter had been settled. Now there are those who would like to see this whole area drained. It was of great importance as a flyway for ducks, and I should like the minister to bring us up to date on this situation and tell us whether any further research has been undertaken in connection with this subject. I should like him also to tell the committee, if he can, the number of prosecutions in the last five years of persons who have violated the Migratory Birds Convention Act by either shooting or keeping egrets or by wearing hats or adornments made from egret feathers.

Finally I should like to support the remarks made by the hon. member who has just resumed his seat with respect to the need for preserving the whooping cranes. I notice that an article in the *Leader Press* of June 16, 1960 deals with this question and mentions that the Audubon society of Canada has expressed concern that the proposed Great Slave lake railway might disturb the only whooper nesting ground yet found in northern Canada. It advocates the selection of the more westerly of the two possible routes, and adds that under the migratory birds convention the United States could protest if

wildlife officials there felt the Canadian nesting grounds were being violated.

I have raised this question at the request of a number of persons, and I was pleased to note the importance attached to the subject by the hon. member for Moose Jaw-Lake Centre. I trust that when the minister replies he will inform us what is being undertaken by his wildlife survey branch and what the branch proposes to do to protect these very rare birds.

With those few remarks I resume my seat, much, I presume, to the pleasure of a number of members.

Mr. Dinsdale: I will reply to the specific questions which have been raised before this item carries. Perhaps I should deal first of all with the question raised by the hon. member for Bonavista-Twillingate last evening when he discussed the problem of sea ducks in the province of Newfoundland. On investigating this matter I discovered that there are various names for the birds which come into the general category of sea ducks. I also recall that the hon. member for Trinity-Conception was in touch with me recently concerning this same difficulty.

There is an open season provided in Newfoundland which extends from November 14 to February 28. I also understand that the Newfoundland director of game has been requesting a change in the migratory birds protection program. I think that is about all the information I can give the hon. member at this time. We are aware of the problem, but because it involves various species of birds it is difficult to produce one simple solution. However, we do appreciate having this question brought to the attention of the committee at this time.

The hon. member for Moose Jaw-Lake Centre has raised a question in respect of the perennial difficulty regarding sandhill cranes. I have been personally acquainted with this problem over the years. The hon. member has outlined the difficulty from his own knowledge of the matter. The lesser and greater sandhill cranes are protected because of the possibility of their being mistaken for the whooping cranes. The population of lesser sandhill cranes, sometimes known as the little brown crane, has now reached approximately 200,000, whereas the population of greater sandhill cranes is down to about 2,000, which is hardly substantial enough to remove the threat of possible extinction.

For these reasons, and because of the similarity among these three types of birds, it has not been possible to allow any open season. I can assure the hon. member, however, that depredation studies are in progress. He has outlined some of the procedures that have been tried, but I can inform him that during 1960 a co-operative study program was undertaken to determine the usefulness of exploders for scaring these birds. Exploders will be tested during 1961 to determine their usefulness in respect of sandhill cranes. Most of this program will be carried out in the Last Mountain lake region of Saskatchewan.

The hon. member for Kootenay West has asked for some information concerning studies going forward regarding the possible impact of the High Arrow dam project on wildlife. I am informed that our wildlife branch made an offer about a year ago to the director of the British Columbia game branch to co-operate with British Columbia in a study of this problem. A reply has been received, but at the moment no specific program has been launched and this subject is still in the discussion stage. Our wildlife people are aware of the difficulties and have been assured of co-operation from their counterparts in British Columbia.

I have received some information in regard to the Duck lake question which was raised by the hon. member for Kootenay West. I understand that British Columbia has taken no action and will make no decision regarding the land use at Duck lake until all details of the Columbia river development program are settled. The area concerned is British Columbia crown land; therefore we can do nothing without the concurrence of the British Columbia government.

The hon. member for Kootenay West raised a third question regarding the number of prosecutions under the Migratory Birds Convention Act in respect of the taking of egrets or egret feathers. We have no knowledge of any prosecutions, with the exception of the one case which was under discussion some time ago. I do not know whether the hon. member has any other information in this regard which he could bring to the attention of the committee, but I would invite him to do so in the event that he has.

Mr. Herridge: Mr. Chairman, I have no further information, but simply asked the question because I wondered whether the example set by one very important person had been followed by others.

Mr. Tucker: Mr. Chairman, I wish to thank the minister for his explanation so far as birds in Newfoundland are concerned, but I should like to ask him whether the reason has resulted from written agreement or treaty with the United States, or is simply an agreement arrived at in Canada?

Mr. Dinsdale: Mr. Chairman, I understand in respect of this matter that the outer limits

are determined under international agreement, but that details are worked out in the provinces themselves.

Mr. Pickersgill: Mr. Chairman, I wonder whether the minister would take advantage of the visit next week to bring this matter up in the highest quarters with the President of the United States to see whether the necessary consent could be obtained so that Newfoundlanders could exercise their ancient rights.

Mr. Dinsdale: Mr. Chairman, as a matter of fact I discussed this matter in a preliminary way at a relatively high level—not quite at the summit—with the secretary for the interior who was in Ottawa during the early part of this week. All the international aspects of the problems involved regarding the migratory bird conventions were discussed. I realize that migratory birds are becoming increasingly important and, because the treaty goes back to 1916, I believe, it is felt the time has come for some streamlining and modernization.

Item agreed to.

Water resources branch—

291. Administration, operation and maintenance, including Canada's share of the expenses of the international executive council, world power conference, and authority to make recoverable advances in amounts not exceeding in the aggregate the amount of the shares of the province of Manitoba and of the province of Ontario of the cost of regulating the levels of Lake of the Woods and Lac Seul and the amount of the shares of provincial and outside agencies of the cost of hydrometric surveys, $1,754,455.

Mr. Pickersgill: Mr. Chairman, on vote 291 I feel I ought at least very briefly to press the minister a little further regarding this question which, as he knows, is regarded in Manitoba as a matter of utmost importance. I refer to what is to be done on the Red river floodway, which we were told in the speech from the throne was to be embarked upon this year. It seems to me that once this item is passed there will be no other occasion, under the rules of the house, to speak on this subject, unless the government itself brings forward some legislation or other measure in this regard.

I do not want to hold up the minister's estimates or delay their passage in any way, but this will be a very big project. It is not a small matter at all. I am sure the minister knows that I am very pleased regarding the small project which has been undertaken on the Fairford river. I have had a great deal of personal interest in this situation over the years. I do not mean personal interest in any monetary sense because, I am sorry to have to say, I do not own a square inch of land in Manitoba, nor have I any interest in any. However, I was raised alongside lake Manitoba and realize how important it is that the level of that lake should be properly regulated.

This is a very small part of a big program for the protection of metropolitan Winnipeg against flooding. I am not going to labour this question, because I realize the minister is familiar with the problems and it is conceivable that he knows more about it than I do. However, the provincial legislature prorogued without anyone in that legislature being able to find out from the government of Manitoba when this matter was going to be brought to a conclusion. By next week six months will have passed since the speech from the throne was read in the other place. When this project was considered to be of sufficient urgency at that time to be mentioned in that speech from the throne surely it is about time the government told us precisely what it intends to do, and particularly —and this is the most important factor—what the cost sharing formula will be.

Mr. Dinsdale: Mr. Chairman, there is very little I can add on this subject to what I said during consideration of the first item. This matter is going forward, and a committee of engineers from the government of Manitoba and from our own department has been formed to consider the engineering aspect of the matter. The engineering data will, of course, be available when negotiations are completed with respect to the financing terms, and that is the only part of the whole project which remains to be settled.

Mr. Pickersgill: The minister says the financial division is the only part of the project that remains to be settled. Does that mean the two governments are completely agreed upon the nature of the scheme to be carried forward; that there is no longer any difference of any kind, in other words that the whole of the engineering details are settled? I do not mean the details of construction, but that the plan is definitely agreed upon?

Mr. Dinsdale: I can assure the hon. member for Bonavista-Twillingate that there is general agreement on the engineering aspect of the problem. No doubt, however, there will be some amendments resulting from the report of the committee of engineers which is now giving consideration to the project.

Mr. Pickersgill: Can the minister say what effect the carrying out of this project will have on the St. Andrews rapids and the locks there?

Mr. Dinsdale: I am not sure, Mr. Chairman, whether this is in the original engineering data; I have not studied the engineering report in detail, but I can assure the hon. member

that our own engineers as well as the provincial engineers will give due to consideration to this aspect of the matter.

Mr. Pickersgill: May I make one more brief observation on this point. I just wish to point out to the minister, in case this matter has not been fully considered, that I understand—and the minister probably has far more information about this than I have, or at least his officials may well have—there are many engineers who feel that this problem could be dealt with most effectively simply by removing the St. Andrews locks and dredging the river where that obstruction is located. I am sure this point has been considered a good many times before, but if the minister has any views on the subject—I know it is a subject of controversy among engineers—I think the committee would appreciate hearing them.

Mr. Dinsdale: I am assured, Mr. Chairman, that this point has been considered thoroughly by the advisory group of engineers, and they have come up with the firm report that this would be no substitute for the floodway. If there is a difference of opinion on the part of engineers, the engineers would appear to differ as much in their respective opinions as do politicians, although I think they are a little more definitive.

Mr. Pickersgill: I am not so sure.

Mr. Herridge: At the request of a number of organizations in southeastern British Columbia and a good number of individuals, I have been asked to make a few remarks on this item to indicate the many contradictions among statements of federal and provincial government officials and other important persons with respect to the proposed development of the Columbia. I must explain, Mr. Chairman, that this will be a strictly non-partisan speech. I have the support of prominent C.C.F. people, members of the legislature, the support of well known Conservatives, well known Liberals and well known members of the Social Credit party. Therefore I can say I am speaking without any suggestion of bias but in the interests of the people of British Columbia and particularly of those of the Kootenays.

In order to be accurate, and unless I otherwise state, I am quoting from a text because this speech will go out to thousands of people when it is published, you know. Are these developments in the national interest? Well, let us have a look first of all at what General McNaughton has to say concerning it, with his obvious devotion to the development of the Columbia on the basis of equity to all governments and people concerned. I may say that the people of my district and of the Kootenays as a whole have a great respect for General McNaughton. I get dozens and dozens of letters saying "We support General McNaughton; we do hope the government will listen to him finally". This is what he had to say in the external affairs committee last year.

Mr. Payne: What page?

Mr. Herridge: I have not the page number here, but this is correct. My stenographer omitted the page number, but I never quote anything unless it is exact.

Mr. Payne: Are we not entitled to the page reference, Mr. Chairman? I have General McNaughton's remarks before me, and I should like to follow what the hon. member is quoting.

Mr. Herridge: This is taken from the record itself, but I notice my secretary omitted the page number. With respect to the building of this proposed High Arrow dam General McNaughton said:

> It has become evident, I think, that from the point of view of power production, Canada would obtain no advantage whatever from flooding out the territories along the Arrow lakes to give the increased storage represented by the High Arrow project. The advantage powerwise in that project goes entirely to the United States. The only advantage which could come to Canada would be in recompense for power produced in the United States.

Later the same day General McNaughton said:

> Of course, I will grant you that I may be looking at this whole business through tinted spectacles, but I cannot reconcile myself to the thought that people would be thrown out of their homes for an advantage which is transient.

What does the Minister of Justice have to say about the treaty that provides for the building of the Libby and High Arrow dams? I quote from the text of his speech delivered to the Canadian club in Montreal on February 13, 1961 of which I have a copy:

> We are proud of the treaty we have negotiated for British Columbia and for Canada and I am satisfied that you will agree with me that the outline I have given you of its advantages and its tremendous potential as a stimulus to the economy of this province justifies the effort that has gone into it and the desire to get on with the job at the earliest possible moment.

What does the Milwaukee *Journal* have to say about this proposed development?

> The vast amount of additional cheap hydro-electric power will be shared equally with Canada. Canada will also be paid in cash for flood control at the rate of one half of estimated annual savings. If this seems to be extreme liberality on our part, it should be remembered that Canada could have chosen an all-Canadian project which would have meant more and cheaper power for that country. So Canada is being a good and generous neighbour in the deal.

I have received an interesting letter from Sacramento, California, from Lieutenant-Colonel George Anthony, retired, who is a registered professional electrical engineer, and whose life work has been in the management of power systems and resources studies in the United States. He just retired from the United States service; otherwise he could not write me this letter. In his lengthy letter he had this to say:

> There may be occasions (and this appears to be one) where political expediency will magnify marginal benefits out of all proportion to their worth, in an effort to justify an otherwise uneconomic international agreement. If successful and if the costs are carefully hidden, the success may add some glamour to giant storage systems and power pools, while the property owners along the Arrow lakes take the beating. Also, the public will be denied the right to enjoy one of the most scenic and most beautiful natural lakes yet untouched by a questionable economic power philosophy.

Then again in 1959 Hon. Ray Williston, minister of lands and forests for the province of British Columbia, gave the assurance at a public meeting in Nelson—I have listened to the tape recording of that address—that the Kootenay district would benefit directly from this development. However, in a letter the minister wrote later to the secretary of the associated chambers of commerce of south-eastern British Columbia, he suggested the only benefits the Kootenays might expect from the Columbia treaty would be those accruing to the area as a result of the building of the dams, or other construction. In fact I have the minutes of the meeting of the associated chambers of commerce of south-eastern British Columbia, dated February 25, 1961. In these minutes is a comment on the minister's letter, as follows:

> It was pointed out that our association's official position is opposition to High Arrow storage dam unless proven beneficial to southeastern British Columbia. A letter, dated December 2, 1960, from the minister of lands and forests indicates that, other than the building boom, no benefits will accrue to this area.

When speaking in reply to a question asked by me in the house on March 2, the Minister of Justice said, as reported in *Hansard* of March 3, at page 2622:

> A reference to the treaty and the annexes will show that the utmost precision possible at this stage has been introduced for the determination of precisely these matters at the only time they can be determined with complete certainty—

This in effect means that the Minister of Justice considered that the necessary and essential facts were known before the treaty was signed. However, in contrast the British Columbia energy board has stated, and I quote from their report—

> The British Columbia energy board recommends delay in the signing of any agreement with the government of Canada because certain aspects of each project require clarification before realistic cost estimates can be established.

Another contradiction. What about the cost of power? The Minister of Justice, in his speech before the Canadian club in Montreal from which I quoted previously, said:

> With the treaty we can embark immediately on a tremendous series of developments which, taken together, will produce, not only initially but over many years to come, a greater quantity of power at lower cost than is available from any other presently known source.

But what has Mr. Williston, the British Columbia minister of lands and forests, said about this? When speaking to the legislature on February 8 this year he said:

> I should like to emphasize that the present agreement with the United States will not provide an abundance of cheap electricity at this time, and that the agreement between the federal and provincial governments will not be ratified for some time.

Another contradiction. Incidentally, Mr. Chairman, I might mention at this point that last fall, when speaking in Nelson, the minister of lands and forests of British Columbia said that speed was essential in the development of the Columbia. When speaking to a public meeting in Castlegar, as reported in the Trail *Times* on September 6, 1960, Mr. Williston criticized the C.C.F. policy with respect to bringing the British Columbia Electric under public ownership, and said:

> Taking over the B.C. Electric would not provide cheap electricity because the B.C. Electric hasn't got any cheap electricity.

Then he went on further to say, and I quote again from the Trail *Times* of the same date:

> The first cheap electrical energy we are going to have is that which will come from the Columbia River development.

Now Mr. Williston tells a different story. Another contradiction. Again, only a few weeks ago we read in the press that Mr. Bennett is giving consideration to bringing the B.C. Electric under public ownership. After Mr. Williston's statement in Castlegar on this question, this appears like another contradiction. Speaking in Castlegar, as reported in the Trail *Times* on the same date, Mr. Williston said:

> The High Arrow dam would not be built until public hearings had been held under the water rights act; that the High Arrow dam would never be built if the preponderance of evidence produced at these hearings shows the project not to be in the best interests of British Columbia and Canada, and that no agreement would be signed with the Americans or anyone else until public hearings had been held.

Well, what has happened? All hon. members know that no public hearings under the water rights act have been held. You all know that the treaty has been signed regardless of Mr. Williston's promise that no

agreement would be signed with the Americans until public hearings had been held. Another contradiction.

The Minister of Justice also states that the treaty with the United States was signed with the full understanding, knowledge and agreement of the government of British Columbia. However, it is generally known that the storage of 8 million acre feet of water in the Arrow lakes will make possible the irrigation of additional thousands of acres of land used for the production of fruit and vegetables in the United States. This development has caused some concern in the Okanagan valley. Mr. Perrault, leader of the Liberal party in the provincial house, later dealt with this action and said that British Columbia is already feeling the impact of farm produce from the Columbia valley in Washington state, where taxes and water rates are lower than in British Columbia. Mr. Perrault said that British Columbia now imports $125 million worth of farm produce a year, and that the total annual income from agriculture in British Columbia is lower by $5 million than in 1951.

What did the minister of agriculture of British Columbia have to say? We must remember that he comes from the Okanagan valley and fully appreciates the danger of this further competition from the United States. I now quote the minister of agriculture of British Columbia:

> Competition from the United States farm produce is likely to be assisted by the Columbia development and will affect other parts of Canada besides British Columbia.

He further said:

> I think it would be a matter of tariffs that we will have to consider.

He said the matter should be discussed at the national level, and that he would take up the whole issue at a conference of the provincial ministers of agriculture later this year. What does this mean? It means that in order to overcome the damage done British Columbia agricultural producers the minister of agriculture for British Columbia proposes to ask the federal government to increase the tariffs on fruit and vegetables. When you think of all the implications of this situation you will realize that this is another contradiction in the approach of the different ministers of the different governments.

Again, we have been told repeatedly that there is a shortage of power in British Columbia, yet in the March 11 issue of the *Canada Gazette* I note an application by the B.C. Electric Company to the national energy board to export surplus power for a period of 25 years to the United States. This appears to be another contradiction. The Minister of Justice hopes that this project will start in 1961. The Minister of Trade and Commerce has published some literature saying that it will start in 1961. There is no sense of certainty or similarity of approach in these statements.

These contradictory statements by federal and provincial cabinet ministers clearly indicate that the Columbia treaty has been signed hastily, without a knowledge or understanding of all the facts and without an agreement in writing between the two governments. In order to indicate the situation and the benefit of this project to the United States, I want to quote briefly from the Victoria *Colonist*:

> Before the Columbia river treaty was signed last January its U.S. sponsors unleashed a veritable barrage of information in the Senate and around the election hustings to show that the harnessing of the Columbia river for hydroelectric development was a magnificent deal for the United States.

There is the booklet that was sent all over the United States. It was issued to every senator and representative. It was distributed all over the United States, and it clearly indicates the benefits to that country. I continue the quotation:

> In the Senate where the treaty was up for approval, one speaker assured Senators that "The United States has driven a hard bargain—a very hard bargain—with Canada." Even President Eisenhower campaigning for Mr. Nixon declared on more than one occasion that the Columbia development was extremely favourable to the United States.

I must say, Mr. Chairman, that as the member for Kootenay West I have, like a good many others, given this question most careful consideration. After listening to General McNaughton in the external affairs committee and the Minister of Justice and reading all the evidence available, I am convinced that I am representing the views of my constituents when I say that the treaty in its present form is not in the national, provincial, Kootenays' or local interest. Recent developments strengthen my conviction in that regard. A nation wide interest in this matter is developing. The newspapers are interested. One only has to refer to the articles in various papers, and there are going to be more. There was one in the *Family Herald* of April 27, another in the *Western Producer* of April 20, and others are appearing in various national magazines. I have heard recently that one national magazine has sent representatives into the area.

Here is the sort of thing one sees. I have here the Kimberley *News*, a newspaper owned by a Conservative and financed by Conservatives. The heading of the article is "Kootenays May Be Sold Out". This is the sort of opinion we are getting from all

quarters because people have been studying this question. In the first instance people thought it was only natural that the group of 1,500 or 1,600 small farmers who would be flooded out would object. That is understandable, but this is not the whole case. These objections are being raised on a wide basis by people who have given the question the most serious consideration, not only people in the Kootenays and in British Columbia generally but in other parts of Canada as well.

Delay in signing an agreement with the federal government is urged by the British Columbia chambers of commerce and by the British Columbia research council. These groups have studied the Columbia river treaty from four angles, national interest, provincial interest, Kootenay interest and local interest. They are completely non-partisan in their objectives. They include the Arrow lakes committee and the Revelstoke city committee composed of people from all parties and chambers of commerce whose members are supporters of all parties.

The facts coming to light indicate that this problem has not been properly assessed. Our local people are communicating with the energy board in British Columbia. They are glad to get the information. The cost of the High Arrow dam is going to be millions of dollars more than was anticipated. The cost of getting logs through to the pulp mill below the dam is going to be in excess of what was contemplated, and the problems are going to be greater. The sociological impact is going to be much greater than was anticipated. The cost of compensating for the loss of public facilities and private investment in the district over a period of 60 years is going to be much greater than was anticipated. We have had the co-operation of various engineers, including civil engineers and hydro engineers, who have offered their services free because of their interest in this problem.

The treaty has been studied from various angles by competent persons who have presented their views to the government of British Columbia and to the water commission, and who are presenting them to the energy board from various angles such as economics and engineering; the impact on agriculture; the impact on forestry; the impact on fish, game and wildlife; the impact on the tourist industry; the sociological impact and the impact on the city of Revelstoke where the opposition to this High Arrow dam was led by one of the old time Conservatives, whom I have known for many years, and one of the old time Liberals, a friend of mine, who both make it a point to attend, when possible, any meeting where this question is being discussed. They are opposed to this project at the present time.

To indicate that it is not a local matter or a matter of people objecting to certain circumstances, may I say this. No one would object if this was absolutely necessary, or if there were not another way of producing this power. These people object because they think it is an unnecessary destruction of Canadian natural resources. Those opposed include the Arrow lakes and the city of Revelstoke water resources board, the city of Revelstoke municipal council, the West Kootenay farmer's institute, the West Kootenay women's institute. In that connection may I say that I received a very nice letter from the women's institute of Kaslo, the birthplace of the Secretary of State for External Affairs. They inform me that they are strenuously opposed to the building of the High Arrow dam.

I get such letters every day from such organizations and others. The British Columbia federation of labour; the mine, mill and smelter workers union and other unions in the Kootenays; the Vancouver and lower mainland council of unemployed and rod and gun clubs in southeastern British Columbia all are unanimously opposed to the building of the High Arrow dam, as are the Arrow boat club, the Nakusp launch club, the Nakusp stock breeders' association, and the chambers of commerce of Revelstoke, Arrowhead, Nakusp and lower Arrow lakes. The chambers of commerce of southeastern British Columbia are opposed to the High Arrow dam until it is proven to be beneficial to the Kootenays. Only recently the leader of the provincial Liberal party was speaking in Revelstoke and he expressed his strong views. I quote from the Revelstoke *Review* of May 4:

> In respect to the Columbia river development, Mr. Perrault said the government never gave even a few minutes to the delegates from this district protesting the High Arrow dam—

He is speaking of the provincial government.

> —and these gentlemen had to be content with discussing their problems with the parties in opposition. Mr. Perrault made it perfectly clear that the Liberal party in B.C. wants the Columbia developed as soon as possible—

So do we all.

> —and that it wants the plant proposed by General A. G. L. McNaughton, not the High Arrow which is only the Kaiser dam under a new name. He said General McNaughton should be brought to testify before the B.C. energy board and given a chance to defend his plan against Mr. Williston's so-called experts.

I have indicated the study that has been given to this question, and I am receiving letters now from various parts of British Columbia. There is one here from a lady in

Saskatchewan who read the article in the *Western Producer*. Letters of this kind continue to come in.

We wish to see the Columbia developed in the national, provincial and local interest. The people whom I represent—and they are people supporting all parties—are sincere about this matter. I might explain that the members of these committees who are doing this work are, with one or two exceptions, persons who will not be flooded out or who will not suffer material damage or inconvenience because of the proposed building of the High Arrow dam, but are persons who are long time residents and competent engineers in various fields who know the impact this will have on our civilization on the Arrow lakes.

As to the forest industry, we have no idea, Mr. Chairman, what this will do. There has been no assessment. We have no estimate in that direction of the millions of dollars of extra costs that will be imposed on the forest industry, as well as the destruction of some of the finest land in British Columbia. One farmer wrote recently that he had $1,500 gross income per year per acre. This land is located where we grow peaches and high cost agricultural products, where there is intensified farming. There is also the matter of the disruption of public facilities, investment in wharfs and things of that sort.

This is an appeal on my part on behalf of the people I represent. I am getting letters from a good many parts of British Columbia now. This is an appeal that we take advantage of this delay, that we reconsider this whole question in order to secure a modification of the treaty so that we have a low Arrow dam instead of this High Arrow dam. There is no objection to a low Arrow dam, except that there would possibly be some protest from the United States having regard to the fact that the High Arrow dam is of great advantage to them. It can store water in great quantities and very quickly.

However, in the national interest and in the interests of the people whom I have the honour to represent, and who write me so continually about this problem about which they are so greatly concerned, I ask that we use this period of delay to reconsider this whole problem and work for a modification of the treaty so that it will provide us with power and development without unnecessary destruction of British Columbia's natural resources.

The Chairman: Shall vote 291 carry?

Mr. Pearson: No, Mr. Chairman. We have listened in the committee with some interest, I think, to the statement just made by the hon. member for Kootenay West with regard to the Columbia development treaty. I should like to say a few words about this matter, especially in view of the confused situation that now exists as to whether this treaty will or will not be brought before parliament this session.

Yesterday we learned from the Minister of Justice that there could be no assurance that this work would be done in 1961. However, the Minister of Trade and Commerce, being more exuberant and less cautions than the Minister of Justice, has issued from his department a booklet which deals with capital investment projects in Canada in 1961. In it he makes the flat statement that the work will begin or is to begin—I think that is the expression used—in 1961.

It is rather important to know which of these ministers is correct in his assumption, because this is one of the most important international arrangements for the development of Canada that has ever been entered into by a Canadian government. One may have differing views about the relative advantages to Canada and to the United States of the contents of this arrangement, but there can be no difference of opinion over its importance in the development of British Columbia and indeed of the whole country.

The negotiations leading up to this treaty began many years ago, of course, and the preliminary studies, the engineering and technical studies, which I think began in 1943 took many years to complete, if indeed they are completed now. It was, of course, quite impossible to work out a diplomatic arrangement, a formal international treaty between the two countries, or indeed to discuss these diplomatic arrangements until the preliminary technical and engineering surveys by the joint commission had been completed. That was not done, I believe, until—the Minister of Justice will know the date—some time in 1954 or 1955. Anyway, they were not completed until well into the 1950's.

When the discussions took place between representatives of the two governments, initially through the international joint commission, there were many difficulties, of course, which were encountered before an agreement could be reached. Perhaps the most important difficulty in the earlier stages of the discussions was that concerned with the sharing of downstream benefits. I recall that when this matter was before the international joint commission some years ago the position taken by the United States side of the joint commission was such as to make agreement virtually impossible, largely over a difference of opinion on this question of sharing downstream benefits. I think all Canadians must be very grateful to General

McNaughton for many things, but more particularly for the way he stood up for Canadian interests and Canadian rights at that time and later.

The negotiations were transferred back to government representatives at one stage. Then they went back to the international joint commission, and I believe there was a change of membership on the United States side of the commission which made those discussions a little more constructive than they had been earlier.

As we all know, eventually the treaty was signed by the plenipotentiaries of the two governments. It was signed in the dying days of the Republican administration of the United States with what appears to us over here, in the light of what has happened since, unnecessary haste. I say that because surely it is unwise for any Canadian government, in diplomatic negotiations with a foreign country, to put its signature to an international agreement which cannot be implemented without the co-operation of one or more provinces of Canada until it is absolutely certain that this co-operation as been achieved. Once a plenipotentiary acting on behalf of Canada does sign an international agreement, Canada as such accepts an international obligation to carry out that agreement. Our word as a country is pledged to the extent of accepting the obligation and implementing the treaty once that treaty, of course, has been ratified.

Therefore any federal government should be very, very careful, to say the least in accepting that kind of international obligation on behalf of Canada until it is certain the obligation can be implemented. In this case, and in many other cases, because we are a federal state implementation will require the active and specific co-operation of the provinces concerned, in this case British Columbia. I recall—and this will be in contrast with the way this particular treaty was negotiated—that when the St. Lawrence waterway agreement was negotiated there was no difficulty with the province of Ontario in implementing that treaty.

I know perfectly well that the representative of British Columbia took part in the Columbia negotiations. I know there may have been reason to believe during those days that this representative was in accord with what was going on. Perhaps there was some reason to assume that he and the provincial government of British Columbia accepted all the details of the treaty as eventually signed. There may have been some reason to assume that, but we know there was not sufficient reason, because the assumption was certainly based, as we know now, on a false premise.

The treaty has been signed. The United States Senate has approved it by an almost unprecedented majority so far as a treaty of this kind is concerned; I think the vote was 91 to 1. As my hon. friend from Kootenay West pointed out, there has been a great deal of satisfaction in the United States over the negotiation and ratification of this treaty. Presumably the states of the United States which are involved have been very happy about it, because apparently there has been no difficulty with them in the discussion of the matter in the Senate and in ratification. Indeed, the United States and the interests concerned in that country seem to be entirely satisfied with this treaty.

The fact that the United States is satisfied does not necessarily make it a bad treaty from the Canadian point of view. The difference is that in this country there are apparently many doubts raised about the relative advantages of this treaty to Canada, and the province of British Columbia is showing no desire at the present time, as far as one can gather, to co-operate with the federal government in a way which will make the implementation of this treaty immediately possible.

We on this side assumed that when this treaty was signed, before ratification the normal constitutional procedure would be followed and it would be submitted to the House of Commons for consideration; and only after that consideration and approval, if it were given, would the act of ratification take place. We were given some reason to believe in the early days of this session that the submission of this treaty would take place not long after signing and would go before the committee on external affairs. There it could be given the searching kind of examination which its importance warrants, and the members of the committee could ascertain whether Canadian interests had been safeguarded in all possible respects in the terms of this treaty as it was signed.

So far as the terms of the treaty are concerned, we on this side will reserve our views on that point until the treaty has been submitted to the committee on external affairs, after we have listened to experts and especially General McNaughton, whom I am sure the committee will wish to examine. However, this cannot be done now because of the lack of co-operation between the federal government and the provincial government of British Columbia; because British Columbia is now raising doubts about this treaty; because the financial arrangements which are necessary as between the province and the federal governments before it can be carried out have not been made; because the provincial government apparently has doubts as to whether the price of power

indicated in the treaty is realistic, and for other reasons which I suppose are more familiar to the Minister of Justice than they are to me, because he has been concerned with these discussions with the province of British Columbia.

Mr. Chairman, all this surely proves that it is unwise for a federal government to sign a treaty of this kind until it has the precise approval of the province concerned to the details of that treaty, as was the case with the St. Lawrence waterway agreement. So far as we can gather on this side, that approval has not been obtained. That is no doubt why there has been delay in submitting the matter to the House of Commons, because quite clearly it would be futile and perhaps inappropriate to ask this house or a committee of this house to consider a treaty of this kind in the absence of agreement with the province directly concerned.

There are other considerations arising, it seems to me, in British Columbia, which have developed as this treaty is subjected to scrutiny and examination. There is the whole question of the relationship of this development to other power developments in that province, and the feeling in certain quarters of that province that if both developments—I am thinking about the Peace river development and the Columbia river development—go forward at the same time in the same decade this would be imprudent unless some assurance could be obtained that it will be possible to export some of the resulting power which may, in the eyes of some people, not be required by the province.

In the past we have had a good deal of experience of the dangers and the difficulties encountered when the question of the export of power from this country arises. The Liberal government has, in the past, taken steps to ensure that the interests of Canada are protected by legislation designed for that purpose. It is true, naturally, that any application for the export of power made by any corporation in any part of Canada would have to be considered. Indeed, the present government considered such an application in New Brunswick two or three years ago, and I think permits have been granted down there for the export of power on the understanding that it is to be recaptured when developments in New Brunswick require that power for provincial purposes.

We have learned in the past, however, that one has to be particularly careful about granting permits for the export of power of any kind, however carefully guarded the provisions might be with respect to recapturability, if I may use that word; because experience in the past has shown that when the time comes when you wish to get that power back from the United States, obstacles are created which make such a course almost impossible.

Therefore, while it would be natural to consider any application for the export of power from British Columbia or any other province in the future, one would hope there would be no departure by any government in Canada from the policy which has been laid down in the past and, I think, accepted now by governments representing both parties; that the national interest with regard to power must be protected; that the national interest must be protected for a good many years ahead, and that no steps should be taken to export any power without every kind of assurance that the national interest is completely safeguarded.

These are some of the questions which have been raised in recent months in consideration of this whole matter. Our position is that we in this country should not have got ourselves into a situation where the federal government has signed a treaty and accepted an international obligation in signing that treaty before it was certain that it would have the co-operation of the provincial government concerned, without which co-operation the treaty cannot be carried out. The United States is not in this position. The treaty has been ratified down there and approved by the Senate, and they are very eager indeed, apparently, to proceed with it and are pressing hard, as we have learned in the last few days, for progress to be made by Canada. Such progress is not possible because the federal and provincial governments have not been able to get together in respect to the steps to be taken before this treaty can even be considered in this house.

We hope these difficulties can be resolved without delay, at least to the point where we can examine this treaty in parliament; where it can be submitted to the committee on external affairs where the doubts which have arisen in certain quarters about the feasibility, the advantage, of this treaty to Canada can be considered and where experts such as General McNaughton can be consulted. We would then be able to give these arrangements the careful scrutiny which their importance to Canada and to British Columbia in particular warrants. At that time, if that time comes, we shall have to make our position clear with regard to the advantages or otherwise of this treaty to Canada, if we are to approve it.

That time has not yet arrived, however, and the reason is that the federal government which signed this treaty in haste has not been able to work out arrangements with the province concerned, for lack of which the treaty cannot be implemented.

Mr. Fulton: I enter the discussion at this point for one purpose. That is to deal with the suggestion of the Leader of the Opposition that this treaty was signed in haste, and to refute that suggestion completely. There was no haste in signing the treaty. The Leader of the Opposition has himself pointed out that the discussions dealing toward the ultimate co-operative development of the Columbia river began 17 years ago, and it is not my interpretation of the meaning of words that taking 17 years to conclude a treaty represents haste.

Certainly progress was very slow in some of the previous years. I could perhaps make some partisan comments on that point, but I shall not do so. I will say, however, that there was plenty of time taken in working out the details with regard to this treaty. It is not my intention to enter now into a discussion of the treaty itself because, first of all, these are not my estimates and, second, I agree that the proper place to do that is before the committee on external affairs when there will be the fullest discussion and the fullest vindication of the terms of this treaty, and the fullest explanation of the enormous advantages to Canada and to British Columbia which the treaty secures.

I am concerned at this time to discuss only this question of the situation surrounding the signature of the treaty, the circumstances concerning the negotiation of the treaty, and the care which was taken to ensure the knowledge and the co-operation and the consent of British Columbia, all of which makes it difficult indeed, to say the least, to explain the extraordinary position which the government of British Columbia is now adopting.

Just before one o'clock, or before the lunch hour intervenes, I should like to put this to the Leader of the Opposition. There was nothing improper or unusual in Canada signing this treaty even before complete and detailed arrangements had been made with British Columbia and before final agreement between Canada and British Columbia as to the things that our respective governments would do, because there was so much which depended on the form of the treaty itself—so many things which would have to be done the nature of which could not be ascertained until the treaty itself had taken shape and was in being. It was recognized on both sides that it would be perfectly appropriate to sign this treaty and leave those matters to be worked out, and to take care of this situation by the provision which was inserted in the treaty that the obligation arises only on the exchange of instruments of ratification.

That is the situation. That course was worked out because we both recognized that we could not get all the details settled; the experts could not go to work on them; the necessary applications could not be made with respect to the location of dams and so on, until there had been a determination in the form of a treaty of what were to be the rights and obligations of both sides. So the treaty was worked out and was given formal expression by the signatures of the two countries, and the treaty itself provides for the situation which I have just described by saying that the obligation arises only after it has been finally approved by both countries and formal instruments of ratification have been exchanged. In the United States the approval of congress is necessary. Here the Prime Minister has said the approval of parliament would be asked for. So there was nothing imprudent or in the least improper or untoward in our signing this treaty, even though the detailed provisions which have to be worked out had not been worked out at that time because it is only the exchange of ratification which brings it into effect.

May I call it one o'clock?

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

Mr. Fulton: Mr. Chairman, just before one o'clock I had dealt with the suggestion that it was somehow an unwise procedure for Canada to have signed a treaty with the United States in respect of the Columbia river development in advance of the final settlement of all details with British Columbia. I had explained that this suggestion is not well founded because there were many things that could only be settled after the form of the treaty itself was determined, although it is also true that these things which require to be settled include some things which it is essential to dispose of before the treaty becomes effective. They are such things as the physical location of dams, the issuing of licences authorizing the dams under the British Columbia water act, and details of the relationship between Canada and British Columbia.

Because these things could not be finally settled until the form of the treaty was agreed to, and because, before the treaty came into effect, it was essential to have them settled, the device I referred to was used. That is, the treaty itself contains a clause the effect of which is that the treaty does not become operative or effective, and no obligation arises thereunder, until there has been formal exchange of instruments of ratification.

This provision was fully understood by the United States. Their negotiators understood the nature of the domestic law in Canada, and they were apprised that these things would have to be done after the treaty was signed and before there could be a formal exchange of ratification. There is therefore no foundation to the suggestion that it was unwise or in any sense imprudent to sign the treaty under the circumstances in which we did.

The other point I want to deal with is the question of the domestic situation, and the implications of the statement that it is unfortunate that there now appears to be a divergence of opinion between the government of Canada and the government of British Columbia, notwithstanding the fact that we have a treaty. I think those were the words used by the Leader of the Opposition.

It is not easy to say how much of real difference there is between the governments of Canada and British Columbia and how much is only apparent. What appears on the surface to be a real difference is the result perhaps of some attempt to establish a bargaining position on the part of the government of British Columbia.

Negotiations with regard to financing are still going on; therefore I feel it would be improper for me at this stage to go into details in this connection. It is true that financial arrangements between the two governments have to be settled. We have made a very generous financial offer, but I suppose it is natural to assume that the province should want an even more generous offer. I make the suggestion, at any rate, that part of the reason why the government of British Columbia has adopted attitudes that would otherwise be impossible to understand may be that they are indulging in a little bargaining. All I can say is that I hope they will realize that the important and numerous benefits to be secured by this treaty should not be jeopardized by an unreasonable position on their part.

The fact of the matter is, however, that on the surface at any rate, there is justification for the statement made by the Leader of the Opposition that there appear to be divergences between the government of Canada and the government of British Columbia. I wish, therefore, to let the house know what are the facts in this respect, and to advise the committee of the steps taken to ensure that there would be unanimity between the governments of Canada and British Columbia at every stage surrounding the negotiations and implementation of this treaty.

The government of British Columbia was brought into the discussions at every stage and on every level; in the negotiations, in the policy making by ministers, and at the level of expert advisers. A short summary of the negotiations will serve to demonstrate the reality of what I say. It should of course be borne in mind that the government of British Columbia, as well as the officials in British Columbia, were relatively well informed about the Columbia river development in its technical aspects, as well as about the general thinking of the government of Canada, even before the detailed negotiations of the treaty started; but I should like to confine these remarks particularly to the negotiating stage.

You will remember, Mr. Chairman, that in January of 1959 the governments of Canada and the United States agreed on a reference back to the international joint commission of the specific question of the policy or principles which should govern any co-operative development of this river. From January of 1959 through to December of 1959 the international joint commission examined this problem in detail, and in December, 1959 they came up with their unanimous report which included recommendations as to the general principles, the power principles and the flood control principles, that should be incorporated in any treaty for the co-operative development of the river.

When we got the agreement of the United States to make this reference to the international joint commission we knew we had made an important breakthrough, because this was the first occasion on which the United States had ever agreed to sit down and study this question of the division of benefits and the entitlement of the upstream country to a portion of the power generated downstream.

Having made this significant breakthrough, we lost no time in taking the necessary steps to initiate discussions with British Columbia so that when we should receive the international joint commission report we would be in a position to commence negotiations with the United States without delay on the basis of a position agreed with the government of British Columbia. Accordingly, in March of 1959 we took steps to set up what is known as the policy liaison committee. This committee consisted of two ministers of the government of Canada and two ministers of the government of British Columbia —on their part the minister of lands and forests and the attorney general. This committee had as advisers officials of the government of Canada and of the government of British Columbia, as well as engineers of the British Columbia power commission and officials of the international joint commission.

The purpose of this policy liaison committee was to ensure that in working out the policy which should be carried forward, the policy on which the position of the

government of Canada would rest in negotiating the treaty, we would be certain that we had the agreement of British Columbia to that policy, because we felt it essential—and I am sure the committee will agree with me that it is essential—in dealing with a resource of this nature which lies in the province of British Columbia, that the government of that province should be in agreement as to the policy to be followed and as to the steps to be taken in the development of that resource. Although it was an international negotiation, the responsibility as well as the authority for which rests with the government of Canada, we took the unusual step of associating the government of British Columbia with us from the very outset when we began to develop the detailed policy which should be followed in the negotiations.

That policy liaison committee had then, as advisers, officials of the two governments and of the international joint commission who were constituted as a technical committee comprising officials of the British Columbia water rights branch, the British Columbia power commission and, from Canada, officials of the water resources branch of the Department of Northern Affairs and National Resources and of the international joint commission, as well as from the Department of Finance and the Department of Trade and Commerce. This committee went to work from March, 1959 on.

The international joint commission made its report on principles in December, 1959, and in January of 1960 we took the necessary steps to commence negotiation of a treaty with the government of the United States. It was agreed between the two governments that negotiating teams should be appointed and should meet to work out the details of a treaty which they would recommend to their governments for consideration. Again we took steps to ensure that British Columbia would have full knowledge of everything that was being discussed and everything that was being suggested and recommended by those negotiating teams. We did that by asking British Columbia to name a person to be a member of the negotiating team. Again, even though the sole authority and responsibility for negotiating treaties rests on the government of Canada, nevertheless, in view of the importance of ensuring the agreement of British Columbia in the circumstances we took that step; and at our invitation they named Mr. Bassett, the deputy minister of lands and forests, to be a member of the Canadian negotiating team. The team thus named consisted of myself as chairman, the deputy minister of northern affairs and national resources, the assistant deputy minister of external affairs, and Mr. Bassett, the deputy minister of lands and forests of British Columbia. During the course of the negotiations, then, not only was British Columbia represented on the negotiating team and therefore kept fully informed of everything that was discussed, but there was at every stage constant reference back by our Canadian negotiating team to the policy liaison committee.

It will be appreciated that we were negotiators; we were not plenipotentiaries. We were instructed to negotiate and to report back what we would recommend as a treaty. We took our position in the negotiations on the basis of the policy as worked out and approved by the governments of Canada and British Columbia as a result of the work of the policy liaison committee, on which British Columbia was represented. After each negotiating session at which progress was made we reported back to the policy liaison committee, as well as individually reporting to our governments.

After each session, on receipt of our report there was a further meeting of the policy liaison committee to assess the situation and to recommend the position that should be taken at the next stage of negotiations. That recommendation of the policy liaison committee was again referred to and approved by the governments of Canada and British Columbia. We then carried into the next meeting of the negotiators the position worked out and approved by Canada and British Columbia; and so we proceeded through stage after stage. After every session of the negotiating teams we reported back. Full information was given to both governments. The position we had taken was explained, and the position we should take at the next meeting was cleared and agreed to, and we took that position on instructions agreed to by both governments. So that right to the time of our final meeting as negotiators, from which we emerged with an agreed recommendation as to the terms of the Columbia river treaty, we had been working forward on the basis of a position agreed to between the government of Canada and the government of British Columbia.

In addition, I should remind the committee that all the estimates that were prepared, all the figuring, all the calculation that was done to form the background of the position we would take, to establish the basis upon which we would estimate whether a certain position was sound or not or alternatively whether we should accept some suggestion made by the United States—all these suggestions and positions and their implications had to be processed by our technical advisers, and I would remind the committee that that technical team consisted of officials of both the

government of Canada and of British Columbia. As well, during the course of negotiations we set up an international work group consisting of representatives of Canada and the United States, technical advisers from our two countries, to work together on the technical data that were arising and being considered in the course of our negotiations so that we might have agreed facts and figures between the two countries in order that the negotiators would have a sound and agreed base on which to carry out their negotiations. Again British Columbia had representatives on that international work group processing all the facts and figures, all the engineering data and the economic analyses and so on that were being put before the negotiators to work on.

Therefore, Mr. Chairman, it is surely clear that at every stage and at every level British Columbia knew and approved of what was being done.

And so we come to the reporting of the treaty itself. Early in January the negotiators reached agreement on the terms of the treaty we should recommend, and we reported to our governments accordingly. British Columbia of course knew about the terms of the treaty because they had a member on the negotiating team, Mr. Bassett who signed our unanimous report. But as chairman of the Canadian negotiating team I felt it only proper to give the government of British Columbia formal advice of the treaty that we would be recommending, and I did so. I sent an authentic copy to Mr. Williston, as British Columbia co-chairman of the policy liaison committee, and reminded him of the circumstances of the negotiations to which I have just referred, that is the extent to which British Columbia had been associated, and approved of what we were doing. I stated that under those circumstances they, of course, had knowledge of what was in the treaty but that I was sending him a copy for his official information. I advised him on January 9 that the government of Canada in considering the treaty would act on the assumption that British Columbia was in accord with its terms. I also advised him that, if approved, we would sign it on January 16, and that under all these circumstances we would assume that the government of British Columbia approved the signing of the treaty unless I heard from him to the contrary. I did not hear to the contrary, so the treaty was signed with the knowledge and approval of the government of British Columbia. Every word, every phrase, every clause, every provision, every annex, every implication of that treaty had been exhaustively discussed with and approved by British Columbia before the treaty was signed.

Perhaps I should point out that at the very end, when it came to the actual drafting of the treaty, when the negotiators sat down to write out in formal language the effects of our agreement, we then had associated with us as an adviser the deputy attorney general of British Columbia, who attended the session at which the treaty was being drafted by the negotiators. So, sir, it is an incontrovertible fact that everything that is in the treaty, every implication that is contained therein, was known to and approved by the government of British Columbia before the treaty was signed.

So we are now in the position that what remains to be settled are the details of the agreement between Canada and British Columbia as to the implementation of the treaty, responsibility for construction and operation and so on. It is, of course, understood and was always understood that there were some final engineering matters to be settled before ratification. The actual physical sites of the dams have to be settled. This can only be done by engineering studies which are going forward now. This has to be settled before applications can be made for permits to build the dam. It was well understood that these things would require some little time to settle before we could formally ratify the treaty by the exchange of instruments of ratification, as provided for therein.

If delay was sought by British Columbia on this basis alone there would be no misunderstanding. I am concerned, however, because the delay which is taking place and the positions which are being adopted by British Columbia appear to be suggestive of differences or difficulties certainly wider than the mere desire to establish the final details of engineering such as the actual, precise, physical location of the dams.

However, Mr. Chairman, I have taken the position before, and I think I should take it again, that in view of the circumstances I have outlined, in view of the extent to which there was unanimity between Canada and British Columbia, and in view of the knowledge, consent and approval by British Columbia of this treaty, it is incomprehensible and inconceivable to me that British Columbia should really change its position. I think all of us must proceed on the assumption that, this having been the situation, this having been the agreement, there can be no reversal of position on the part of British Columbia, and that they will agree with us that the treaty should be ratified and should go into effect.

As I said at the beginning of my remarks this afternoon, I am unable to account for some of the things they have said and some of the positions they have taken, except that

it must be for the purpose of bargaining. But whatever be the purpose, whatever be the position that they now take outwardly, the facts are as I have outlined them; that we signed the treaty with British Columbia's knowledge and approval, and it is inconceivable in the light of those facts that there should be any fundamental change of position on the part of the provincial government.

Therefore, Mr. Chairman, all I can say now, and I am sure the house and every member present will agree with me, is that what is desirable at this time is that there should be early formal approval of this treaty by British Columbia so that ratification can take place, construction can commence at the earliest possible moment and all the benefits in terms of low cost power, stimulus to the economy and millions of man hours of direct employment, as well as the indirect employment in production that will be necessary, can go forward at the earliest possible moment.

I have just one final word. I have sometimes been concerned by the implications of what is being said in British Columbia to the effect that somehow or other there were not adequate engineering and economic analyses of the treaty provisions before it was signed. The federal government alone, Mr. Chairman, has spent over $4½ million on engineering and economic studies of the Columbia river. This is quite apart from what the Americans have spent, what British Columbia has spent and what private concerns have spent. Engineers are great experts and very important people and maybe their services come high, but you can still buy a heck of a lot of engineering for $4½ million. Therefore I must reject out of hand any suggestion, from wherever it comes, that we rushed into this treaty without adequate engineering or economic studies and analyses.

As I have said, some engineering naturally remains to be done, and it is important engineering. It is the kind of engineering that will determine the precise physical location of dams. I am not suggesting for one moment that such engineering is not required, but what I do say quite definitely is that for the purposes of a treaty of this kind—and I am confirmed in my view by comparison with what was done on the St. Lawrence river—every reasonable, and indeed more than reasonable, completely adequate preliminary engineering and economic studies and analyses were made. The government of Canada is satisfied as to the position it took and the information it had as a result of those studies. The government of Canada remains ready to go forward immediately with the ratification of the treaty and the commencement of construction of the project.

[Mr. Fulton.]

Mr. Pearson: Mr. Chairman, I do not intend to hold up this estimate very long. The minister has made a statement on which I should like to make a short comment. I do not quarrel with his recital of the facts or challenge them in any way. He and the federal government felt they had every reason to believe that the provincial government of British Columbia had been associated with these negotiations leading up to the treaty, that they were kept informed of the developments, that they knew all about the negotiations and, indeed, had participated in them, and therefore he feels that the government had the right to assume that the resulting treaty was acceptable to the government of British Columbia whose co-operation in carrying it out, as I said this morning, is absolutely essential.

The fact is, however, that so far as one can gather that this provincial government does not feel committed at this time to the acceptance of all the proposals, all the implications of the treaty, and further negotiations are under way. I also do not quarrel with what the minister has said about the fact that the international obligation undertaken by Canada in the signature of an important treaty of this kind does not come into effect until the treaty is ratified and the treaty, in accordance with our constitutional practice, will not be ratified until it has been considered by the House of Commons. Nevertheless the fact remains that this treaty cannot be submitted to this parliament for consideration at this time because of the absence of an arrangement with British Columbia.

This procedure is in contrast to that which was followed in the negotiation of the St. Lawrence seaway agreement. When that agreement was negotiated with the United States—and I have the treaty before me—the treaty of 1941 was signed by representatives of the government of Canada, namely Mr. King, Mr. Howe, and Mr. Reed, and representatives of the government of the United States, namely, Mr. Moffat, Mr. Berle and Mr. Olds, on March 19, in the year of our Lord one thousand nine hundred and forty one. On that very same day an agreement was signed between the government of Canada and the government of the province of Ontario which was necessary to the implementation of this international agreement.

Therefore once the international agreement was ratified there was in existence a signed agreement between the government of Canada and the government of the province of Ontario which made it possible to implement the international arrangement. That agreement was signed by Mr. King, Mr. Howe, Mr. Hepburn and Mr. Nixon. The

same procedure was followed later, I think in 1951, when an agreement was made and signed by representatives of the province of Ontario and the federal government which again made possible the implementation of an international agreement regarding the St. Lawrence waterway.

That is not the situation at the present time. There is no agreement between British Columbia and the federal government in that sense. We therefore cannot consider this treaty in this house until such an arrangement or agreement is signed between the province and the federal government. That is why, when I talk about undue haste being shown in the signing of the treaty, I am not thinking of the years that were required to negotiate it. Of course it takes a long time to negotiate a treaty of this kind. However, I am thinking of the haste to sign an agreement at that particular moment in the negotiations without having a signed undertaking or commitment from the province of British Columbia which would enable that agreement to be carried out if this parliament approves of it.

Mr. Payne: May I transgress on the committee's time for just a moment or two. At the outset I think it would be most fitting to offer congratulations from fellow members from British Columbia to the Minister of Justice for the able and splendid way in which he has conducted negotiations and has successfully brought about an arrangement between the United States and Canada with respect to the Columbia river.

There are two points I wish to discuss. I deeply regret that at this time the hon. member for Kootenay West is not present in the chamber, for he earlier today endeavoured to bring to this committee the view that the people of British Columbia were opposed to the ratification of the treaty which has been successfully negotiated with the United States.

The position he takes is one which I feel he rather poorly defined. I understand he has no quarrel with any part of the proposed development arranged for under the treaty with the exception only of the High Arrow dam. He has taken the position for parochial and local reasons, and not for reasons which are basically of interest to British Columbia as a whole. In doing so I think I should correct one misstatement of his, namely that the only benefit that would accrue to the province of British Columbia by virtue of the High Arrow dam consists in downstream power benefits. This is fundamentally wrong. A large cash sum is arranged to be paid by the Americans in view of flood control provided by the High Arrow dam. I believe the amount involved is a cash payment of some $64 million and I think this committee should be aware of these facts so that they are fully understood.

The hon. member for Kootenay West dived deeply into his mail bag in order to find support for the position he took. I believe he quoted from certain alleged distinguished Canadian authorities resident in California. I am sure they must have a pronounced and profound interest in the welfare of British Columbia.

In this case he reminds me very much of the story that is told about the hon. gentleman from Kootenay West as a result of discussions in the coffee shop of the house recently. He was impressing everybody with regard to the volume of protests that were pouring in upon him daily from the people of British Columbia relative to the position then taken against the ratification of this treaty. I believe he made the statement that "his phone had been ringing all morning". One of the wags of the House of Commons retorted, "Well, why didn't you answer it?" I think perhaps this story alone can be fairly well transposed to him in the realm of incoming mail. This will indicate the breadth of protests and the extent and number of protests received by the hon. gentleman.

Being a member from British Columbia I also receive mail as, I am sure, do other colleagues who join me from that province. I have yet to see one single indication of protest from people of many political faiths. Members of organizations who are endeavouring to serve the interests of their province to the best of their ability and who are giving of their time and service, write and say they trust that we shall get on with the ratification of this treaty. They further state very clearly—and these are people from all political parties—that in the interests of the people of British Columbia and in the interests of the welfare of the people of Canada as a whole they trust that Mr. Bennett will co-operate, will act in good faith and will quickly come to an agreement with the federal government in order that in this very important and very great undertaking, the multiple establishments of facilities required by this treaty, may enter the planning, and construction phase along the Columbia river immediately.

On behalf of many people in British Columbia I express the hope that the treaty will shortly be referred to the committee on external affairs for consideration. I express the further hope that after giving the matter a proper review, and after giving the Minister of Justice an opportunity in detail to set the record straight, this house may ratify this treaty without delay and see one of the greatest works projects ever undertaken in

Canada under way thus providing employment for people who need it, providing power for areas of this continent that need it, and helping generally the welfare of the west.

Mr. Herridge: I must apologize, Mr. Chairman, for being somewhat late. I was at a dinner, and it would have been most discourteous for me to have left at the time I should have left. However, I heard the tail end of the remarks of the hon. member who has just taken his seat, and I expected him to speak in that vein. That is the sort of thing he tells me in private. Of course he does not know much about the whole question. In order to indicate the general approach to this question in the interior of British Columbia, and in order to refute the argument put forward by the hon. member for Coast-Capilano, I now quote from the minutes of a meeting protesting the construction of the High Arrow dam held at Revelstoke, last year, at which there were representatives of municipalities, chambers of commerce, labour and all political parties from southeastern British Columbia. I will quote half a dozen extracts to indicate the trend of public opinion:

Mayor Hardman in his opening remarks—

He is mayor of Revelstoke:

—stated that the purpose of this meeting was to draw to the attention of the governments concerned the opposition of the people of this region to the construction of the High Arrow dam.

Mr. Waterfield of Nakusp—

He is a Conservative minded person.

—spoke of the possible short time advantages to Nakusp while the dam was being built, but the more disadvantageous it becomes from the long term point of view.

Mr. Affleck, civil engineer from Nelson, spoke of the shortsightedness which seemed evident in the handling of our heritage. The flooding of the Arrow lake would build up industries across the line to enter into active competition with Canada.

Mr. H. S. McFadden, local solicitor—

He is from Revelstoke and was a provincial candidate for the Progressive Conservatives during the last provincial election:

—detailed water elevations at various points on the lakes and river and gave a rather vivid indication of the devastation that would result from High Arrow development.

Mr. G. Hobbs, local M.L.A. for Revelstoke, expressed his opposition to the building of the High Arrow dam. Mr. S. Fleming, M.P. for Okanagan-Revelstoke, had this to say. I will quote what he said in part:

The construction of High Arrow would diminish the return from Mica dam, according to information received from General McNaughton. The government would undoubtedly take into account the fact that benefits of High Arrow would be of short duration only, while this meeting, quite justly, was concerned in the long range features.

[Mr. Payne.]

That is what they are concerned about. They are looking at it from the long range point of view.

Mr. Bainbridge, president of the chamber of commerce at Castlegar, said that if High Arrow dam was built after Mica dam the accredited downstream benefits accruing from the High Arrow would be of little consequence.

His Worship Mayor Parkinson of Kelowna—

Kelowna is in Okanagan Boundary riding.

—said that he and the people of the Okanagan valley would very definitely protest if a dam were built on the south end of the Okanagan valley resulting in the flooding of the entire region, in order to give water for irrigation to the fruit growers across the American border. The effect would be represented in further U.S. competition for Canadian growers. It appeared to the speaker that this was one basic principle involved in the construction of High Arrow. The only difference being represented in aluminum rather than fruit.

Mayor Becker of Vernon—

That is in Okanagan-Revelstoke riding—

Mr. Pugh: Mr. Chairman, would the hon. member permit a question?

Mr. Herridge: Certainly.

Mr. Pugh: With regard to Mayor Parkinson of Kelowna, where in his speech did he say the dam would be constructed? I believe you used the word "Okanagan".

Mr. Herridge: Yes, he said that if a dam were constructed—

Mr. Pugh: In the Okanagan valley?

Mr. Herridge: In the Okanagan valley.

Mr. Pugh: Thank you.

Mr. Herridge: These minutes continue:

Mayor Becker of Vernon spoke of the magnificent scenery throughout the Arrow lake region which would be devastated by flooding, and spoke of the many hot mineral springs and scenic beauty of immense value as a tourist attraction when the trans-Canada highway was completed. He stated that the Arrow lake was one of the most beautiful valleys in B.C. Mayor Becker unequivocally opposed the High Arrow project on the basis of his close association with Columbia valley communities and his experience as a qualified engineer.

Mr. A. W. Lundell—

Social Credit M.L.A. for Revelstoke:

—stated that he had been on record for a long time as being opposed to the High Arrow dam. He said that statements from Messrs. Fulton and Williston had already side-tracked the development of High Arrow ahead of Mica dam.

Mr. Reid, Salmon Arm—

Social Credit M.L.A. at that time. Salmon Arm is hundred miles or so to the west of Revelstoke:

—placed himself unalterably on record as completely opposing the construction of High Arrow dam but at the same time he thought it quite

feasible that Mica dam could be further implemented by the construction of the low Arrow which economic effect on the valley would be reduced to a minimum.

We agree with that:

The following resolution was unanimously adopted by all visiting delegates.

The mayor of Kamloops was present, and that is the riding of the Minister of Justice.

Resolution passed by meeting or representatives from southern interior municipalities and chambers of commerce, Tuesday, April 26, 1960.

Whereas it is the responsibility of the governments of Canada and British Columbia to provide for the present and future energy requirements of our country through the development of the Columbia river for power production in Canada, and

Whereas the construction of the High Arrow dam does not contribute to this vital requirement, and

Whereas this meeting is opposed to the construction of High Arrow dam for the following reasons:

(a) The unnecessary destruction of 40,000 acres of our very limited agricultural resources.

(b) The downstream benefits from High Arrow dam would progressively decrease.

(c) The High Arrow dam practically eliminates civilization on the Arrow lakes and destroys 20 communities including the city of Revelstoke, involving a population of more than 7,000 people.

General McNaughton told the committee that the High Arrow dam practically eliminates civilization on the Arrow lakes:

(d) The net balance of revenue over costs on the High Arrow dam would show an annual deficit of approximately $3 million when all losses chargeable to High Arrow are computed.

Therefore be it resolved that this meeting go on record as urging our governments to proceed with the construction and early completion of Mica dam, as the first step followed by the construction of Downie creek, Revelstoke canyon and Murphy creek dams, all producing power within Canada.

Carried unanimously.

These are the representatives of a number of municipalities and organizations in southeastern British Columbia. In addition, to indicate the attitude I want to read a resolution of the Okanagan-Revelstoke Progressive Conservative association. This association has written several letters, just as many Conservatives have in my riding. This is a resolution that was passed in respect to proposals to build the High Arrow dam:

Be it resolved that the Okanagan-Revelstoke Progressive Conservative association vigorously protests the proposed construction of the High Arrow dam in preference to the Mica creek dam for the following reasons:

1. The full benefit to be derived therefrom will accrue to the United States except only the remuneration payable to Canada in power delivered and payment for flood control.

2. The High Arrow dam will materially reduce the potential power development on the Canadian side of the border.

3. The High Arrow, without flow control from Mica creek, will create untold devastation from the south end of Lower Arrow lake to and including the city of Revelstoke and is a potential menace to the lower levels of the city of Revelstoke.

4. Flooding of Arrow lakes will completely destroy one of the four main valleys in British Columbia.

I have received numerous letters from very prominent members of the Conservative party, the Social Credit party and the Liberal party in British Columbia who are not going to be directly affected by the proposal to build this High Arrow dam. That is why I say I have every confidence in stating I am speaking on a completely non-partisan basis.

Mr. George Hobbs, member of the legislature for Revelstoke, who is a C.C.F. member, and Mr. Randolph Harding, M.L.A. member for Kaslo-Slocan, represent the two provincial ridings that will be seriously affected by the building of the proposed High Arrow dam. They expressed their complete opposition recently in the legislature of British Columbia, and they were supported by other members of the legislature.

This is a very important step so far as the governments of Canada and British Columbia are concerned. On behalf of the people I represent I do urge the governments of Canada and British Columbia to utilize this delay to reconsider this question, the consequences of which without doubt have not been completely considered. I urge upon these governments to take the opportunity to use this time to reconsider it and see if they cannot accept the proposals put forward by General McNaughton.

I have held meetings throughout the district and I have received letters from Kootenay East. I held a meeting in Invermere with the Invermere chamber of commerce. The majority of the members of the chamber of commerce at that meeting agreed with me, because when you compare the flooding of the Arrow lakes with flooding in the upper Columbia you bring into production four times as much land as you flood in the upper Columbia, if it is necessary—and it is not necessary at this stage, so far as we see it—whereas in the Arrow lakes area you flood for all time 40,000 acres of land, and forest.

There has been inadequate consideration given to the consequences. Do you know, Mr. Chairman, we have competent foresters working with us who point out that we are going to flood something more than 30,000 acres of first class forest land which provides an annual revenue from growth of $15 an acre? We are going to flood some 11,000 acres of the finest agricultural land in British Columbia. Some of that land at the present time is producing up to $1,500 an acre gross, per annum. I can speak of a small community in Renata where there are just over 81 acres under cultivation producing apples, plums, peaches and pears, and these growers have

shipped up to $67,000 worth of fruit annually off that land. This is some of the most valuable land we have in British Columbia, yet the government proposes to flood it.

People in the area concerned consider this is entirely unnecessary. I could go on at great length about this, but representations with respect to the economic, sociological and other effects of this proposal will be presented by a delegation which will be coming from the ridings of Kootenay West and Okanagan-Revelstoke when the external affairs committee is considering the treaty. I would ask hon. members to give this matter serious consideration, remembering that once this flooding is done it is done for all time. We believe the proposal requires far more consideration than has so far been given to it, by members of parliament.

Mr. Henderson: Might I suggest to both the hon. member who was just spoken and the premier of British Columbia that they should do their best to hasten the Peace river project. The Peace river is a natural source of power development. This development has been held back because of uncertainty about the development of the Columbia river. Let us go ahead and have this Peace river project, and never mind the Kootenays. Nobody will be flooded out when the Peace river project goes forward. Certainly it is the most beneficial project we could undertake in British Columbia or in North America.

Mr. Leduc: I have followed this discussion with great interest. I have taken a special interest in this subject since I was advised that the development of the Columbia river would not be in the best interests of British Columbia.

During the recess I was fortunate enough to be able to take a trip to Vancouver. One evening I met an engineer who is working on the Peace river hydro project. He had a film. He asked me if I was interested, and he showed me the film. After discussing this matter for hours I could easily understand the position which the premier of British Columbia is taking. This engineer proved to me that for the same amount of money, or possibly less, more electricity could be produced if the province of British Columbia would promote the development of the northern section and still permit the province to sell electricity to the United States if it were needed.

I feel that British Columbia would be better off if it concentrated on the Peace river development because the flooded area to be created would not displace one single family. It would be the largest hydroelectric project and the largest dam in the world. So far as employment is concerned, it would provide just as much as, or possibly more than, would be provided by the Columbia development, and it would lie entirely within the province of British Columbia. That province would therefore have the full benefit of all the money invested.

For these reasons I believe British Columbia is very wise in continuing its studies of this subject. If they are not convinced that the Columbia river project is the most beneficial one for them, I believe they have every right not to agree to the treaty, because the province is not committed in writing. Its representatives have taken part in the discussions in order to obtain more information, and now that they possess this information I believe the province should not be forced to approve an agreement which would not provide the greatest possible benefit for the residents of British Columbia.

Mr. Hanbidge: Now that we have the Columbia river matter settled I want to introduce into this discussion a subject which is not controversial. I think this is the proper item under which to raise it. It has to do with the Red Deer river diversion in northern Alberta. My hon. friend the member for Red Deer and my hon. friend from Acadia in Alberta are much more familiar with this project than I am, but we in western Saskatchewan are particularly interested in it. I had hoped to bring up the question under the estimates of the Minister of Agriculture when the committee was dealing with P.F.R.A., but unfortunately I was not present when those estimates were considered.

The Red Deer river rises at a considerable distance to the southwest of the city of Red Deer, and for a great many years engineers have considered the possibility of using the waters from the Red Deer river, not for irrigation but for the benefit of stockmen and municipalities in the eastern part of Alberta and the western part of Saskatchewan.

Last August, after the house adjourned, I had the privilege of attending a meeting of chambers of commerce at a place called Consort in the constituency of the hon. member for Acadia. That meeting was attended by 300 or 400 people from Alberta and western Saskatchewan. The purpose of the meeting was to discuss this Red Deer river diversion plan, which is better known as the William Pearce plan. William Pearce was an engineer employed by one of the railway companies. It was he who worked on this plan and developed it, together with the specifications, in connection with this diversion for a great many years.

The meeting was attended by officials and engineers of the department of water resources of the province of Alberta and was

addressed by Mr. A. G. Underhill, the district engineer at Calgary. It was sponsored by the central Alberta association of chambers of commerce and, as I say, it was attended by a great many from western Saskatchewan. I have here a copy of the report which has been prepared by Mr. Underhill, the district engineer at Calgary.

I might say that those individuals who are familiar with it prefer to refer to it as the William Pearce plan rather than the Red Deer river diversion plan, Mr. Pearce having been the originator of the idea.

I might also say that members of the Prairie Farm Rehabilitation Act program have worked on this project since 1939. Mr. Phillips, Mr. Hawkins, Mr. A. B. Cooke and Mr. Huddlestone are the four engineers under the Prairie Farm Rehabilitation Act who have been working on this plan. I should also add that Mr. L. B. Thomson, the former chairman of the P.F.R.A., was completely sold on this diversion plan. About a year and a half before his death I had the privilege of listening to him address the chamber of commerce at Kerrobert, and he produced his maps and plans at that time. As I said, he was completely sold on this idea. I do not intend to go into the plans and specifications, but the purpose of the plan is to bring water from the Red Deer river down through Alberta into Saskatchewan as far as the South Saskatchewan river. I know that the Minister of Agriculture, coming from the prairies, is very appreciative of the importance of furnishing water to the prairies, as is the Minister of Northern Affairs and National Resources. I would like to compliment that minister on his appointment to that very important department, and I know that he will appreciate the difficulties that some of the small towns must face in regard to the supply of water. The cities of Edmonton, Calgary and Saskatoon are built by rivers, but there are many quite large towns dependent on the surface supply of water rather than on rivers, lakes or even wells. Quite a large number of towns in my constituency are dependent on the surface run off in the spring for their water supply. I do not have to emphasize the need those towns have for water, nor the effect upon those towns if they were supplied water through this project.

I realize that the minister is not in a position to go ahead with this plan at the present time, and that, as it affects two provinces, there will have to be co-operation between the federal government and the governments of the provinces of Alberta and Saskatchewan, but I should like to urge the minister to give consideration to this plan, and remind him that it is not a question of irrigation but solely of furnishing water for stockmen, towns and villages who are now up against the problem of obtaining sufficient water to supply the needs of their citizens.

I might also mention that the chambers of commerce of several towns in my district including Kerrobert, Kindersley and Eston are particularly interested in this project. I should also like to pay tribute to the chambers of commerce organization of east central Alberta for the effort this organization has made in bringing this matter to the attention of both the government of the province of Alberta and the government of Canada. I would particularly like to commend Mr. Richard Fritze of Castor, Alberta, who is president of that organization. I hope the minister and his officials will keep this project in mind. I might also suggest that if Mr. L. B. Thomson, who was in my opinion one of the greatest men who ever had anything to do with P.F.R.A., had lived, we should probably see, in the not too distant future, the conclusion of this project.

Mr. Mitchell: I should like to direct the minister's attention a little further north than the prairies, and make a further plea in regard to consideration of the grand replenishment and northern development canal. For the sake of a shorter name we have taken the first letters of each word and called it the Grand canal.

It will be remembered, Mr. Chairman, that representations were made a year ago on behalf of this replenishment canal, and I do not think it is necessary to go into the details or objectives of it at this stage. One of my constituents, who is the prime mover of this project, has spent a great deal of time and money investigating the possibilities of the project. It is true, perhaps, that the members of the committee did not take a very amiable or favourable view of the representations which were made a year ago, and thought the project was perhaps fantastic, but I should suggest that it is entirely capable of realization, and that the necessary moneys required could be provided as a result of the following hydro developments, and replenishment of the great lakes water through the reversal of the flow of rivers now flowing into James bay.

I should like to draw the committee's attention to the fact that it has recently come to our attention that our neighbours across the Bering sea in the northern part of Russia have considered a similar project in respect of the northern Siberian rivers, and have sent engineers there to investigate and make a study, with the intention of using those waters for the same purpose as we envisage in the proposition I have put forth. I realize this would be a gigantic undertaking, but

also that if it were carried through, the waters of the great lakes would be replenished. I realize also that the states bordering on the south of the great lakes are against the proposed Chicago diversion, but I am led to believe that the Chicago authorities are perfectly willing, if necessary, to pay for the water they use as a result of this diversion.

I bring these matters to the attention of the minister with the hope that his department will make an engineering survey to determine the possibilities of such a program. While this plan is at the present time in its infancy, I feel it must be carried out sometime because of the great benefit which will be derived therefrom.

Mr. Pickersgill: Mr. Chairman, before this item carries I wonder whether the minister could bring us up to date in regard to the Holland dam, the Russell dam and diversion of the Assiniboine river into lake Manitoba? I do not think he has said very much about this project this year.

Mr. Dinsdale: Mr. Chairman, before I answer the questions asked by the hon. member for Bonavista-Twillingate, I should perhaps refer to the subject raised by the hon. member for Kindersley, regarding the Red river diversion in Alberta.

Mr. Pickersgill: You mean the Red Deer river.

Mr. Dinsdale: I am sorry; the Red Deer river diversion in Alberta. This project has been under study by the prairie provinces water board for some time. The latest information I have in this regard is to the effect that we cannot expect anything further on the subject for several months, but I should like to draw his attention to vote 296 in the estimates, which relates to the Nelson river and the Saskatchewan river basins. The study, when it gets under way, will incorporate a study of the Red Deer river diversion.

Regarding the subject mentioned by the hon. member for Sudbury, it was dealt with in answer to a question put on orders of the day same weeks ago. I understand this is a topic which recurs from time to time and, as a matter of fact, it was fairly thoroughly examined in the committee on mines, waters and forests a year ago. After an exhaustive examination of the subject by that committee the committee made a quite non-committal report. The report stated, in part:

> The committee heard with interest from witnesses of the proposed Hurricanaw river development project, but it feels that there has been insufficient basic engineering evidence presented to come to any conclusion on this matter.

[Mr. Mitchell.]

I understand that one of the proponents of the scheme has come up with a few statistics on the possible cost-benefit relations and he estimates that the scheme would cost about $4.5 billion at 5 per cent interest over 50 years. It would take almost 300 million horsepower on a continuous basis to bring 25,000 cubic feet per second of water proposed to be diverted from James bay to the Ottawa river watershed and from there to the great lakes, and at the end of the 50 years the returns might amount to $100 million annually. On the basis of those figures, Mr. Chairman, it is impossible to establish, of course, a favourable benefit-cost ratio.

Another difficult aspect of this whole project is the very large amount of hydro electric power potential which would be committed to essentially non-productive purposes. Therefore, in the light of all the other pressing matters of water resource development, at the moment it does not appear that this is one of the more urgent schemes. However, the subject referred to by the hon. member for Bonavista-Twillingate does have a sense of urgency because the Assiniboine river passes through my constituency.

Mr. Pickersgill: Is that the criterion?

Mr. Dinsdale: Well, I should say from the personal standpoint it has a sense of urgency because of its location close to home. There are two possible approaches to flood control on the Assiniboine, as the hon. member knows, which have been under discussion for the past several years. The Holland dam diversion is one and the Russell reservoir is the other. There has been no final conclusion as to which is the better approach to the difficulty. There are supporters of both sides of the question. The study that is under way with respect to all flood problems relating to both the Red river and the Assiniboine river will make the final decision and the final choice in this matter.

Mr. Pickersgill: This subject is quite separate and distinct, though, from the Red river floodway itself, I understand, because the minister said the scheme itself was all settled, but he did not say that the details were all settled. There is one other question. Has the idea of diverting the Assiniboine, or any part of it, into lake Manitoba been dropped?

Mr. Dinsdale: The idea of diversion into lake Manitoba was pretty well set aside some two years ago, and at the time the Holland diversion became active. The original concept was to divert the river into lake Manitoba. It is now conceived by the engineers that the Holland diversion would be much more effective for the purpose.

Mr. Pickersgill: I rather gathered that from the remarks made by the minister of agriculture in Manitoba but he was not conclusive about it.

Item agreed to.

294. Fraser river—federal expenditures in connection with investigations to be carried out by the Fraser river board, $322,500.

Mr. Pickersgill: Can the minister say what is being done at the present time in respect of this item?

Mr. Dinsdale: The Fraser river study has been a continuing one over the past several years. I believe it has been under way since 1949.

Mr. Pickersgill: Since the big flood.

Mr. Dinsdale: Since the big flood, as a matter of fact, yes. And the present study, which is actually a continuation of the work that got under way in 1949, is merely continuing investigations of the general water control problems on the Fraser river. There is an annual report on this subject that is available to hon. members. I am informed it is not an annual report. Reports are made from time to time. One was tabled in the house just the other day, which brings the project pretty well up to date.

Mr. Pickersgill: There is no danger of a flood this year?

Mr. Dinsdale: No; the flood potential is quite negligible during the current year.

Mr. McLennan: In 1958 an elaborate report was made on flood control and hydroelectric power in the Fraser river basin. In that report the board stated that the immediate problem is the lower Fraser valley dikes. It would appear there is always enough snow and ice in the Fraser river valley basin to cause a flood if the weather is unfavourable. We all remember the disastrous flood of 1948, and the terrific property damage it caused. It is only in the real fertile lower Fraser valley that the problem of flood control assumes any major proportion.

Has the government of British Columbia made any approach to help the scheme of strengthening the dike described in the board's report?

Mr. Dinsdale: No, there has been no approach from the province of British Columbia and I think for a very good reason. Actually, the responsibility for strengthening the dikes would be a provincial responsibility.

Item agreed to.

295. Contributions to the provinces towards the construction of dams and other works to assist in the conservation and control of water resources in accordance with agreements entered into between Canada and the provinces, $1,950,000.

Mr. Nesbitt: I have a few brief remarks I should like to make on this item. They have to do with the upper Thames river conservation authority. It may seem strange to members from other parts of this country that in southwestern Ontario, which is generally considered to be one of the most thickly populated and highly developed parts of Canada, both agriculturally and industrially, we should have conservation projects. But in some respects it is probably the most important part of the country where these projects could take place. The Thames river drains 2,250 square miles of land. The river rises in the highlands of Perth and Oxford counties, which lie northeast of the city of London. It flows for 190 miles into lake St. Clair. This watershed which I have already mentioned encompasses probably one of the most thoroughly populated areas in the country and contains some of the most highly used agricultural land in the area and, of course, is full of small and large industrial towns and cities.

This project under the upper Thames river conservation authority got under way some years ago. In 1953, the first dam, known as the Fanshawe dam, in London, Ontario, was completed. Since that time nothing further has been done. At the same time I should mention that in addition the part of the upper Thames river project known as the Ingersoll channel improvement scheme was also completed, but the principal part of the project completed was the one at London. Since then the people in the area, and I know the members in the area, have been pressing constantly to have the project completed. To complete the project, the channel of the Thames river must be improved. There are two branches of the Thames river, one known as the north and the other as the south branch. They meet in London.

The first item to complete the project is the Mitchell channel improvement scheme. The second is the St. Mary's channel improvement scheme and the third is the Woodstock channel improvement scheme. Then there will be dams and reservoirs at Wildwood, Woodstock and Glengowan. Two other projected dams and reservoirs are suggested at Thamesford and Cedar creek although I have heard recently that these latter two projects may not be found to be necessary. I say "may not" because it is by no means certain yet.

The members of the upper Thames valley conservation authority are appointed from the different municipalities concerned. For a number of years the members of the upper

Thames valley conservation authority have sent delegations to Ottawa, for a long time without success, I might say. I know that the hon. member for Perth, who is now Minister of National Health and Welfare, the hon. member for Middlesex East, myself and other hon. members have constantly requested the government over the years to make a contribution toward the completion of this project.

I might say in this regard that the federal government pays 37½ per cent of the cost, the provincial government of Ontario 37½ per cent, and the remaining 25 per cent is paid by the municipalities concerned. The first part of this project having been completed in 1953 and having proved eminently successful, finally at long last in January of this year an agreement was signed with the Ontario government and by the middle of April engineering plans had been approved by the provincial and federal governments for the necessary steps to complete this project.

It is my understanding that engineering contracts have been approved for the Mitchell channel improvement scheme, the Woodstock channel improvement scheme, the Woodstock dam and reservoir and the Wildwood dam and reservoir. I also understand that work is already under way on these projects and that an actual start on construction is to be expected late this summer or early this fall.

I should like to take this opportunity to commend the minister and the government for being so farsighted as to take steps to complete this very valuable project. On completion the upper Thames river conservation authority will be a prototype or, if you wish to put it this way, it will be a "pilot project" which will serve as an example for similar projects in other parts of Canada that are thickly populated agricultural and industrial areas.

I should also like at this time to express the appreciation and thanks of everyone in the area to the members of the authority and their executive committees, and particularly to Mr. Gordon Pittock, the chairman of the upper Thames valley conservation authority. The untiring work and effort that these people have put into the completion of this scheme are highly commendable and they deserve the thanks of all the people in the area.

I see that the item in the estimates for this project this year is $350,000 which will mean a nice start during the current year. The estimated cost of the completed project is a little less than $10 million and the federal government's share is not to exceed $3,600,000 over the next few years.

I should like to point out for the benefit of other members that there will be a great many very direct benefits from a project of this type which may be given consideration in other parts of the country. First of all, it provides flood protection for the communities along the river. I can well remember that when I was a student at the university in London in 1937 about 7,000 people were flooded out. I remember losing all my notes for examinations, which was a sad state of affairs indeed.

In addition, this particular project will ensure that there is a greater water supply for the larger urban areas such as London, Stratford and Woodstock. One of the most important aspects of such a project is that it will ensure a more constant rate of flow of water during the dry season in the summer and fall months. This, of course, will greatly assist in the disposal of sewage from the various industrial plants in the municipalities and will prevent pollution of the river which retards the development of recreational and living areas and, indeed, industrial areas along the river banks. During the summer months the odour from the Thames river near Woodstock, London, Ingersoll and elsewhere is anything but agreeable, and a more constant flow of water will greater alleviate this most unpleasant problem.

The recreational use of the lands around reservoirs is, of course, something that is of great benefit to the people in the area. Land for recreational purposes in southwestern Ontario is at a premium because of the greatly increased population. I know that the Fanshawe dam at London has provided some delightful park areas for the people of London and I know that the dams being constructed near St. Mary's and at Woodstock will likewise provide a great deal of fine recreational land not only for the permanent residents of the area but for visitors as well. Also, of course, as these projects are basically conservation projects they will prevent the erosion of valuable agricultural lands during the spring run-offs and will provide a large reservoir of water which will help to maintain the water table throughout the area and the levels of the various farm wells. The value of this last factor is, of course, difficult to estimate. One hears different opinions about it, but there is little doubt that it will greatly assist the level of the water table in the area.

There are other indirect benefits to be derived from this project but I do not wish to take the time of the committee to go into detail. Likewise I do not see the necessity of dealing with the actual figures concerning the number of cubic feet of water that will be stored and so on. These details can, of course, be obtained by any hon. member from the department.

Again I should like to thank the government. For the people of my area this project certainly is the long-awaited realization of a dream.

Mr. Pallett: Mr. Chairman, this item deals with contributions to the provinces toward the construction of dams and other works to assist in the conservation and control of water resources in accordance with agreements entered into between Canada and the provinces. At this time I should like to express to the Minister of Northern Affairs and National Resources and the government the appreciation of those people who are within the area of the metropolitan Toronto and region conservation authority for the announcement which the minister was able to make on April 19 of this year in which he indicated that an agreement would be entered into for the construction of certain works in that conservation area.

While my riding of Peel is not part of metropolitan Toronto, a portion of it comes within the area over which the conservation authority has jurisdiction. We have had experiences in the past of the ravaging of uncontrolled waters. In 1948 the town of Brampton suffered immense damage from the rampaging Etobicoke river. As a result of the scare at that time, a diversion was put around Brampton in 1951. The efficacy of such a measure was shown. When hurricane Hazel came along in 1954, Brampton was spared an event that would have resulted in practically eliminating the downtown area. We have there a practical demonstration of what can result when proper conservation works are carried out.

This announcement was also a source of personal satisfaction to me, as it must be to the hon. member for York West, the hon. member for York-Humber and other members who used to belabour the government when they sat on the other side of the house in order to get it to enter into these agreements to effect conservation measures. I well remember a debate in 1955 in which we did not seem to be able to convince the then minister of northern affairs of the benefits that would accrue to that particular area and the country as a whole if these agreements were entered into.

After listening to the debate this afternoon previously on the Columbia river and the inability of the provincial government to co-operate, I say this. The province of Ontario, under a Conservative administration, was prepared to co-operate in this scheme but the then Liberal federal government was not prepared to co-operate. Now that we have both the provincial government and the federal government of the same Conservative party, we find a measure of co-operation that is certainly resulting in benefits being made available under these conservation measures. I think that the resultant benefits which the hon. member for Oxford indicated in his area followed from these schemes, will certainly follow from this scheme.

Before I conclude I should like to pay a tribute to the conservation authority and in that I include the hon. member for Toronto High Park who sat on that authority, for the persistence shown by them and for their dedication to the work of convincing others that this scheme must be carried out. They persisted over the years. It is an example also of how, when groups at the local level work together themselves and put together their ideas, prepare them carefully and submit them to a responsible and responsive government, action will be achieved. It will result in the saving of property and lives, and greater enjoyment to the people of this area.

I would suggest that the course this government has taken in conservation generally is one that will be increased over the years. We in Canada, because of our abundance of natural resources are sometimes, a little careless with them. This fact is realized by the people in charge of the affairs of this country now. One of the things which must give them great satisfaction is to see put on the statute books of the country legislation such as A.R.D.A. to preserve the natural assets of the country and to see moneys voted in co-operation with the provinces and the municipalities so that our children and our grandchildren will have saved for them the beauties of nature that we enjoy.

Mr. Pickersgill: I wonder whether the minister can say what the formula is for the division of costs in these schemes?

Mr. Dinsdale: All these water conservation measures are carried out in the framework of the Canada Water Conservation Act which provides for participation by the federal government up to 37½ per cent. In the case of the metropolitan Toronto scheme or the Humber scheme, the provincial participation is 37½ per cent and that of the local authority 25 per cent.

Mr. Pickersgill: Can the minister say on what date that principle of division of costs was first established?

Mr. Dinsdale: I believe the act was first passed in 1953. The first occasion on which it was used was in 1960 in connection with the upper Thames program.

Mr. Pickersgill: Was a different formula used in connection with developments on the Grand River?

Mr. Dinsdale: I believe the Grand river project was an ad hoc project, if my memory serves me correctly, but the formula was much the same.

Mr. Pickersgill: The Grand river project was undertaken even before 1953?

Mr. Dinsdale: Yes.

Mr. Pickersgill: So that this co-operation with the provinces is not something of recent date.

Mr. Hamilton (York West): I do not think I have ever been accused of making a "me too" speech in this chamber and I do not wish to do so now; nor do I wish to take any time which could be devoted by the minister to answering questions on a vital matter. However, I would be remiss if I did not echo the remarks of the hon. member for Peel in connection with the satisfaction that I know the people of York West feel in finally seeing this program for the metropolitan Toronto and region conservation authority having a chance to be completed.

I think there is a fair amount of personal satisfaction for any hon. member of the house in seeing a project which has been close to him during his period of office, finally come within sight of completion. This is something which has been close to us in my area since 1954 and for very obvious reasons, namely because of the tremendous loss of life in York West during the period of hurricane Hazel. There have been many intermediate steps. I think the tribute paid to the conservation authority of the district was well earned. I think all of those in the metropolitan area who continued to bring to the attention of the government the need for completion of this project deserve a great deal of thanks.

I might say to the hon. member for Bonavista-Twillingate that it is very easy on occasion to have legislation enacted by the house but it is a very different thing to see it implemented. We therefore greatly appreciate the move which the minister has made at this time.

Mr. Best: I should like briefly to concur in the remarks of the hon. members for Oxford, Peel and York West concerning item 295 with regard to contributions from the federal government to the provinces towards the construction of dams and other works to assist in the conservation and control of water resources. In our own county of Halton we have numerous river systems. Indeed, we have all or parts of four river valley conservation authorities. I refer to parts of the Grand, the Credit and the whole of Sixteen-mile creek and Twelve-mile creek authorities. In that respect the situation is much the same as that in the ridings of the hon. members who have spoken previously. We have been adding to our population sometimes at the rate of 10,000 people a year in Halton county. Because of the tremendous growth of our towns and since the number of people commuting to Hamilton and to metropolitan Toronto grows constantly it is important that our water systems, our parks and our farm lands be protected to an even greater extent for agricultural, recreational and safety purposes.

The use made of these areas, particularly in the northern part of my county, has increased tremendously in recent years. Thus any measures which may be able to aid the preservation of such land and water resources are of great importance indeed.

This measure, with the three specific amounts, two for Ontario and one in Manitoba, is indeed a large factor. I only hope it will be extended from year to year to other water systems as applications are made by municipalities and provinces or whoever may wish to initiate such contributions and such planning.

I do feel that this program, along with other matters such as the A.R.D.A. measure, brought forward by our Minister of Agriculture, and which we have been debating in this house in recent days, will go far towards providing greater water resource use in my own county and indeed in many areas across Canada.

Item agreed to.

Northern administration branch—

297. Branch administration including authority to make recoverable advances for services performed on behalf of the governments of the Northwest Territories and the Yukon Territory, $1,133,935.

Mr. Granger: Mr. Chairman, when I spoke earlier in this debate I mentioned federal aid for Eskimos and said, in effect, that whereas Quebec Eskimos receive around $400 per person per year, the Eskimos in Newfoundland receive much less, perhaps around $250 per year.

I am afraid I left the impression that there was a yearly grant to Eskimos in Newfoundland. I should like to make a correction, because to the best of my knowledge, that is not so. There was a lump sum made available for their use.

I should like again to make my plea that an agreement be reached with the province by which the Eskimos in Labrador would receive the same help from federal sources as do Eskimos elsewhere. I have every reason to think that in saying the Eskimos in Newfoundland receive $250 per head, apart from perhaps creating the impression that this was an annual grant, in fact they receive much less.

May I again ask the minister for his very sympathetic attention to this problem of help for Eskimos in Labrador and an increase in the amount of assistance given to them through the provincial government.

I make this plea because their needs are great. In fact the needs of Eskimos and Indians throughout the north are great. They require additional educational facilities, and so on. I am sure all these things engage the sympathetic attention of the minister and I invite him to take on active interest in this matter.

Mr. Fisher: Mr. Chairman, I want to ask the minister a question in relation to the switch in the northern affairs bulletin "North". I would ask the minister why it is now a bigger and a slicker magazine.

I want to ask him also whether he can give us some idea of the cost of this magazine and its circulation. Why do we have something this glossy? I was going to use the word "slick", but I think "cute" would be better. Why is it necessary?

Mr. Dinsdale: Mr. Chairman, with reference to the magazine "North", as the hon. member knows, because I believe he is in regular receipt of a copy, there is a subscription charge of some $3 per year. The subscription cost has not been changed, I understand, as between the present format of the magazine and the former format. This is because actually there is very little increase in cost as between the two formats.

As I recall, the paid circulation is 2,000. In addition certain copies are supplied to hon. members of the house and officers of the department. The total production cost is $5,000.

Mr. Fisher: I should like to suggest that it would be nice for me to see in it—and perhaps other hon. members would agree—an article written by someone other than a senior civil servant or a minister of the crown. I suggest that the hon. member for Mackenzie River—while I have seen mentions of him—might be a worth-while contributor comparable with the minister, especially since he has an interest in the area.

I wish to ask the minister another question. It relates to an article that appeared last year in the Ottawa *Journal*. This was a report by the Canadian Press from Montreal about the remarks of a Dr. Maxwell Dunbar of McGill University, an expert on northern living. This is the quotation from the Canadian Press report:

> Far from being the dedicated, happy band of pioneers they are popularly pictured. Dr. Dunbar said Tuesday, most northern communities are "unhappy, torn by petty jealousy, boredom and over-developed egos".
>
> They are this way, he told a meeting of the national federation of financial analysts societies, because companies interested in northern development don't hire the right sort of people.
>
> He suggested they stop "trying to attract anyone at all to live for 18 months in an air-conditioned barracks at 80 degrees farenheit by means of high pay and airborne steaks".
>
> These lures, he said, have attracted men "with movie and corner drugstore minds".
>
> Dr. Dunbar said suitable men could be attracted by the "high moral standard" which used to characterize northern living; quiet, modest people with senses of humour, cynical rather than over-optimistic and without illusions about their strengths and weaknesses.

This is the most pungent criticism of the social situation in the north that I have seen. I tried to get the full text of the remarks and did not come up with it, but I heard several other speakers on C.B.C. programs last year indicate something of the same.

I have no idea whether there is any substance in these remarks, but is there a social situation in the north such as Dr. Dunbar sets out? If so, how is it being met by the department and what aspect of it is the government's responsibility?

Mr. Nielsen: Mr. Chairman, I should like to make a few brief remarks before the minister answers this question. I have not read the article that the hon. member for Port Arthur has quoted from, but I want to be immediate, quick and decisive in saying that I dissociate myself completely from any confirmation of the remarks in that article. I think nothing could distort the true picture more than the doctor's remarks in that article.

I live there. I live in a normal community. I have travelled over the Mackenzie and over the Yukon. Nowhere have I found conditions such as those described by the good doctor. I am sure he meant well in writing this article. I do not know what experience he has in the north, but I do suggest that too many people write articles along the lines of the one quoted by the hon. member when they have not a scintilla of actual knowledge of living conditions in the north.

We are normal, healthy Canadians in the north. We are up there with a great deal of faith in the development of the country for the benefit of the whole of Canada. Nothing could be more wrong than the picture painted by the author of that article.

Mr. Dinsdale: Mr. Chairman, actually I am very glad the hon. member for Port Arthur raised the question of contributions to the magazine "North". I do not know how many issues of this magazine he has seen, but it is a policy of the editor to encourage contributions from all possible sources, particularly those who have some

knowledge of topics that would be of interest to northerners and readers of the magazine. Representatives of the church in the north have from time to time made outstanding contributions to the magazine. I would also like to suggest that if there is any member of parliament who feels he would like to contribute to the magazine such contributions would be greatly appreciated.

An hon. Member: There is a volunteer.

Mr. Dinsdale: The hon. member for Port Arthur has written on various subjects from time to time and I assure him we would be happy to have anything from his pen which would be regarded as suitable. I am informed there is a very lenient editorial policy and that any such articles would be subjected to a minimum of editing.

As to the other matter, I do not think I can carry the subject further than the hon. member for Yukon, who represents the north, who lives in the north, who has travelled extensively in the north and who is intimately associated with the social life and the social problems north of the 60th parallel.

Articles are written on the north from time to time, and I think the hon. member would be the first to agree that some people look at the subject through jaundiced eyes. I am a newcomer as far as personal contact with our northern communities is concerned, but I have visited each of the areas—the west, the centre and the east. I have been in isolated communities such as Cambridge bay, Frobisher and Aklavik. The thing which has impressed me is the high quality of community life in these places.

Take Whitehorse, for example, which is a typical northern community. That city is as modern as, or even more modern than, communities of a similar size in the prairie regions of Canada. It has all the amenities such as paved roads, hospitals and schools; all the facilities which are required in order to live a healthy normal life by modern standards. The old town of Aklavik, when I visited it during the Easter recess, struck me as being the home of a most happy group of citizens. I think the reason for this social well being lies in the hands of the dedicated civil servants, teachers and welfare workers who are devoting their time to work in this part of Canada. The principal of the school there, for example, is a trained anthropologist, a man with a distinguished war record who has spent his entire teaching career up to the present time in the north. He has obviously set his stamp upon the community at Aklavik.

I could go to the other extreme of the Arctic, to Frobisher. The administrator there is well known to a good many members of this house because two or three years ago, I think, he was on the personal staff of the Governor General. He decided he would like to make his contribution to the program of northern development and he is there now doing an outstanding job on behalf of the people of the north.

It was my privilege to visit Frobisher on a Sunday afternoon and the entire population had gathered together in the community hall, a hall which, incidentally, has been sponsored by the ladies of the I.O.D.E. It is a substantial building equipped for community purposes and there the entire Eskimo population of Frobisher Bay had gathered. The impression I received from talking to many of them was that they were enjoying a happy community life in this Arctic outpost. On that occasion, too, we made history by presenting a 25 year service certificate and button to Mr. Frank Delaute who is the administrator to whom I referred. The presentation was greeted with great acclaim by all the residents of Frobisher.

On the basis, then, of personal experience and also on the basis of extensive reading on the subject I would say that any report which suggests that the communities of the north are beset with difficult social problems as described in the report read by the hon. member must be the result of viewing the subject with limited knowledge or from a biased viewpoint.

Mr. Fisher: There is one question which occurs to me now and it relates to the unique position which Mr. Robertson has as a deputy minister of the department and also in his relationship with the council. This is a unique situation, as far as I know, in government.

There are a number of senior civil servants, including deputy ministers, who are directors of crown corporations and similar organizations but I do not know of any other senior civil servant who has this particular role of being a focal point in what might possibly be a developing desire for autonomy, certainly in a political atmosphere.

I just wonder whether consideration has been given to how long this situation is likely to continue before there may be rifts or the possibility of an attack upon the council which, since some of the members are elected, might place Mr. Robertson as a civil servant in an invidious position. I am not suggesting this has happened. It is hypothetical. Nevertheless it seems to me something which could possibly happen and I should like to hear the minister's comments on whether any consideration has been given to altering the balance of the representation so that we should not have a senior civil servant in such a central position.

Mr. Dinsdale: The question raised by the hon. member for Port Arthur is not a new one. This point has been discussed at the two recent meetings of the territorial council itself. The precedent for the appointment goes back to 1905, I understand. Since that year it has been the practice to appoint a high level civil servant to the post of commissioner of the Northwest Territories. On the other hand, in the Yukon Territory which until recently to a certain extent was in a more advanced state of development, the commissioner has not necessarily been a high ranking civil servant. As to possible future developments, I think recommendations will be forthcoming from the council itself in this respect. As I indicated the other day it is the desire of the government that these territories, both the Northwest Territories and the Yukon, should move toward independent status as quickly as the economic and social situation permits.

There is even some suggestion that a separate territory be established in the Northwest Territories area. If and when this suggestion is followed, the commissioner appointed could perhaps be an individual completely outside the high level civil service category.

Progress has been made along this line through the provision of a council for the Northwest Territories which is partly elective and partly appointive. I am sure as progress continues the situation to which the hon. member has made reference will be resolved, and we shall move toward a greater position of independence in the territories.

Mr. Fisher: I should like to ask the minister whether the Glassco commission has a task force operating in the department looking at this particular aspect; that is the dual role of the deputy minister?

Mr. Dinsdale: The terms of reference to the Glassco commission do not necessarily include that subject matter to which the member has referred. Whether that commission will request the opportunity of looking at this situation is something to be decided in the future, but at the moment this is not a term of reference.

Mr. Fisher: I should like to put it to the minister, and the committee, that the onus of the extra responsibility in no way diminishes the attention and concern that the deputy minister can give to his departmental function as distinct from his other duties.

Mr. Dinsdale: Mr. Chairman, I am sure the hon. member will agree that the over-all responsibility of the deputy minister of the Department of Northern Affairs and National Resources necessitates his vital interest in the activities of the north and, while this constitutes extra work—his doubling in the capacity of the commissioner—at the same time it allows him to present his knowledgeable viewpoint regarding the peculiar problems of the Northwest Territories. In the past, during the underdeveloped period, this viewpoint has been very useful.

Mr. Fisher: Mr. Chairman, I did not have that point in mind. I was thinking of the difficulties involved as a result of one individual helping to develop policy, making up estimates and recommending expenditures in certain areas of the northern administration, while at the same time putting on another hat of responsibility in the spending of this money. I was wondering about the possibility of there being a certain amount of conflict and a certain amount of overlap which is perhaps not ideal.

Mr. Nielsen: Mr. Chairman, I should like to say a word on this subject. The hon. member for Port Arthur is probably aware of the fact that the history of the political development in the Yukon has followed almost the same course as that being followed now in the Northwest Territories. In 1901 the elected portion of the council in the Yukon numbered 5, and the appointed portion also numbered 5. At that time the commissioner was appointed by the minister. As a result of the amendment to the Yukon Act the elected members to that council now number 7, which is now the entire council, and it sits without any appointees whatsoever. The commissioner of the Yukon Territory is still appointed by the minister.

The point I am trying to bring to the attention of the hon. member for Port Arthur is that I have no reason to believe that the people of the Mackenzie river area would feel otherwise than did those people of the Yukon Territory, and that any move toward additional representation, control or autonomy on behalf of those people, should be initiated by themselves and not by this house.

There is a move afoot in the Yukon now for increased representation. Certain representations were made when the act was amended regarding an increase in the size of the council. Representations were also made, through the council, for an advisory committee, in respect of financial matters, which would sit with the commissioner of the territory to consider the budget and other fiscal problems. This is as it was desired by the people of the Yukon, and I am certain that the people of the Mackenzie river area would not wish anything different in regard to their situation. I am sure when they are ready to accept greater responsibility and desire a greater number of representatives on the Northwest

Territories council similar to that of the Yukon where the commissioner is in a sense, separate from the departmental administration, they will not hesitate in making their views known. Northerners have a peculiar habit of making their views known quite forcibly and, I must say, during the few years I have been associated with the situation, the department has acceded to all reasonable requests made by the residents of the area.

Mr. Pearson: Mr. Chairman, if there is any one person who is more concerned with this problem than anyone else, I speak of the anomaly of the deputy minister of the department being the chairman of the council, I am sure it is the deputy minister himself, who has served in both capacities with great distinction and efficiency. It is true, as has been pointed out, that as the work of the department grows, greater responsibility is put on the deputy minister, and he acquires many more duties. Perhaps because of that fact, if for no other reason, the time will come, because of the burdens on the deputy minister, when a change will have to be made.

Mr. Chairman, I am not sure this is the right moment, or that we are dealing with the appropriate item, but I should like to direct some questions to the minister regarding the development of the roads to resources program, in so far as the Yukon and Northwest Territories are concerned. With your permission I shall put them now.

I should like to ask the minister if he can give figures regarding the expenditures to date, in respect of this program, in so far as the areas I have mentioned are concerned. I should also like to ask him what the maximum expenditures are, as envisaged in this program, and the amount of expenditure under the program which has already been committed.

I should also like to ask the minister for information in regard to the mileage of roads now under construction, and the total program in terms of mileage which has been agreed to by the government. Perhaps the minister could deal with those questions now.

Mr. Dinsdale: Mr. Chairman, before proceeding to answer the questions of the Leader of the Opposition, I should perhaps say a final word regarding the subject raised by the hon. member for Port Arthur, and endorse what has been said in this respect by the hon. member for the Yukon and the Leader of the Opposition.

I feel sure we can depend on the council members themselves to recommend a change in regard to the commissioner when they feel it is due. We have, in the four elected representatives of the territorial council, four vigorous spokesmen for the north. At the present time it is their opinion that the existing arrangement is the most useful and satisfactory one and, while there is a growing desire for independence, they have recommended that the present system of appointing members to the council be continued, because of the knowledge that these appointed council men have regarding the problems discussed by the territorial council.

The Leader of the Opposition has asked for rather detailed information on the roads to resources program in the territories. Perhaps I can break it down into the various categories that he requested. He asked for the total mileage of resources road construction in the Northwest Territories and the Yukon Territory. The figures for the Northwest Territories are as follows. The total mileage is 1,384. Up to the end of 1960-61, 754 miles had been surveyed. Of this total, 503 miles have been cleared and 337 miles constructed.

In the Yukon Territory the total mileage is 900. Of that, 595 miles have been surveyed, 287 miles cleared and 237 miles constructed. The total for the territories is 2,284 miles. In addition, reconstruction of roads is under way in the Yukon Territory. This involves a total mileage of 458.

As for the expenditure represented by this construction, I can give the hon. member the totals between 1957 and 1961. For the Northwest Territories the total was $15,999,000. The amount proposed for the Northwest Territories in 1961-62 is $3.4 million. The amount required to complete the mileage contemplated is $44.5 million. The total estimated expenditure in round figures is $64 million.

For the Yukon Territory the amount spent up to 1961 is $7.26 million. The amount proposed for the fiscal year under discussion is $3.73 million. The amount required to complete the program is $25.79 million. The estimated total is $36.79 million.

The cost of the roads to be reconstructed in the Yukon Territory; up to the present time $2.96 million has been expended. It is proposed to spend $1.23 million in the current fiscal year. The amount required to complete the program is $0.91 million, with a total expenditure of $5.11 million. I do not know whether this covers all the information requested by the hon. member. I can give a further breakdown if he would like to have it.

Mr. Pearson: I think that is sufficient detail for my purposes, Mr. Chairman. It is interesting to compare these figures with the figures given by the Prime Minister himself

in a television broadcast on March 3, 1960, which were as follows. I quote from the text of that broadcast. The Prime Minister was dealing with the roads to resources program in the Yukon and Northwest Territories and he said that at that time, namely March, 1960, federal expenditure had been about $20 million and that 600 or 700 miles of unprotected new roads and bridges were under way at that time. In the same broadcast, in regard to this program, he said that the maximum expenditure envisaged was $150 million and that agreements had been signed to cover this. He then went on to say in the broadcast that this program in the north provided for the building of an additional 4,000 miles of roads to tap the new resources of the north and that the total expenditure—that was March, 1960—at that time committed, amounted to $135 million. It will be interesting to compare these figures put on the air a year ago with what the minister has given us this afternoon.

Mr. Nielsen: May I ask the Leader of the Opposition a question before he resumes his seat. Does he now agree that the roads to resources in the Yukon and the Northwest Territories—the development roads—are a sound policy on behalf of the government in developing the whole nation including that 40 per cent of the nation above the 60th parallel, or does he still adhere to his igloo to igloo statement which he made in 1957 and 1958?

Mr. Pearson: I am very glad the hon. member has given me an opportunity to say something about this. He has asked me whether I now adhere to the position that the roads to resources program in the north is important to the development of that country. Well, of course, Mr. Chairman, I have always taken that position and I made statements to that effect long before the hon. member came into the House of Commons. Nothing could be more important to the development of the northern area than roads, communication and transport generally. There is no question about that. What I also say is that statements made in 1957 and 1958 by the Prime Minister and others that this roads to resources program—it was not called that then—this road-building program in the north, this great program of public works in the north, which included road building, was a phony one in so far as correcting the unemployment situation was concerned. If the hon. member will read the statements I made at that time—I repeat them now—he will find that I said this kind of program as a cure for unemployment was completely unrealistic. That has been shown since that time by the figures that have been given, not by the present minister but by his predecessor, which indicated how much employment was being given by this program.

So far as development is concerned, no one underestimates their importance. But the Arctic road program as a cure never had anything but visionary, political importance attached to it. As a development program, nothing could be more important. As a program for curing unemployment, well, nothing could be more calculated to deceive the people than some of the statements made at that time on the employment aspects of this activity.

I think it should also be pointed out that while it is extremely important to develop the Arctic, it is also important to redevelop some of the older parts of the country where the economy is now slack and where unemployment is now very high. These two things have to go together, both development and redevelopment, in a healthy and balanced economy.

Mr. Nielsen: I might just say that the Leader of the Opposition still has not yet answered my question.

First of all, may I say that I have read very carefully within the last week the 1957 and 1958 statements of both the Prime Minister and the Leader of the Opposition, and my recollection of those statements is that the unemployment situation was not to be met by roads being built in the north but by national public works. The Leader of the Opposition made several statements throughout the west during 1957 and 1958 in which he referred to the northern development roads as roads from igloo to igloo. He said so in Saskatchewan and also in British Columbia. He selected one particular road in the Yukon running from Flat Creek into the potential oil and gas fields of the Yukon as being a road from igloo to igloo.

If the Leader of the Opposition will read the statistics which I put on the record on May 4, 1961, to be found at page 4384 of *Hansard*, he will see that this road from igloo to igloo, as he termed it then, has increasing significance now when oil and gas revenue has increased from a figure of $8,344,579 for the period 1953 to 1956 to a figure of $32,599,956 for the period 1957 to 1960. He will also recall, I am sure, that the first oil well in the Yukon came in the year before last, the Chance No. 2, and that the Hope No. 1 well is now in the process of being drilled. Does he still feel that this road is a road from igloo to igloo?

Mr. Pearson: I cannot resist the invitation to prolong this discussion for a moment. When the hon. member talks about northern roads, whether they are from igloo to igloo or from

oil well to oil well or from community to community, I would point out that these roads and their construction were put forward as a cure for unemployment, and I ask the hon. member to read the Prime Minister's speeches of that time when they were put forward as a cure for unemployment.

That was a phony performance and has been so described in the house many times. One reason why it has been shown to be so is the figures that have been given in the house of the amount of employment provided over the years by the construction of these very important and valuable roads for development purposes, whether from igloo to igloo, oil well to oil well or town to town. I will send him the text of my statement and also the text of the Prime Minister's statement so that the hon. member will be able to refresh his memory and be quite clear as to what is involved.

Mr. Nielsen: I want to say one last word. As recently as last week I read these statements very carefully, and I mean no intentional disrespect to the Leader of the Opposition when I suggest that his interpretation of the Prime Minister's statement as being the promise of a cure for unemployment is, to say the least, a phony or less than accurate interpretation of the statements that were made. The Leader of the Opposition can speak as much as he likes about road development in the Yukon and how much he supports it now. That was not the position he took in 1958 when he introduced an amendment to a supply motion decrying the efforts of the government to develop roads in the north and saying that regional preference should be given rather than that such development should be carried on on a national basis.

He can speak as long as he likes in trying to wiggle out of his igloo to igloo statement, but there was no doubt in the minds of the people of this country, particularly the people of the north where I live, that the impression he was trying to leave with them was that these roads were useless, that they were roads from igloo to igloo and were not necessary for the development of national resources as opposed to regional resources. I do not think he can ever escape having that statement affixed to him, although I am sure he is rather sorry now that he made it when resources are being developed as a result of such road construction, which he perhaps thought was not going to be the case when he made these statements.

Mr. Pearson: On the question of accuracy, Mr. Chairman, before these estimates are through we will have an opportunity to put on the record what was said on both sides, and perhaps that will help in that regard.

[Mr. Pearson.]

Also on the question of accuracy, one of the reasons why I asked the minister to put on *Hansard* this afternoon the figures I requested and which he was good enough to give was to compare on the ground of accuracy the figures which the minister gave this afternoon with those that were given over the air by the Prime Minister a year ago. When the hon. member reads the two sets of figures in *Hansard* tomorrow, perhaps he will not have so much to say about accuracy with regard to statistics affecting the north.

Mr. Nielsen: I will always have something to say about accuracy. I do not mean to be unkind but I think the Leader of the Opposition is merely drawing this distinction to further the political ends of his own party. The fact remains that if you compare the dollars spent in the north as I set forth the figures in *Hansard* of May 4, you will find we have advanced from a position where under a Liberal government we were spending for the national development of resources in the north $1.2 million or $1.3 million annually to a figure of $6.9 million annually since the present government took office. I think the distinction lies there.

Mr. Pearson: We will have something to say about expenditures too. If you take the expenditures made under one item in these estimates, the relocation of Aklavik, you will see how much was involved in total expenditures there and under what program that was carried out. But I ask the minister again, or the hon. member if he would like to reply, does he consider this to be an accurate statement, and I quote from the Prime Minister's broadcast:

The program—

That is the program of roads to resources in the north.

—provides for the building of an additional 4,000 miles of road to tap the new resources of the north.

Is that an accurate statement?

Mr. Dinsdale: I think we can resolve the particular point raised by the Leader of the Opposition by pointing out that the roads to resources program is much more extensive than the statistics I have already given. The roads to resources program also deals with road construction in the northern part of the provinces, and I think he is well aware of that point. The additional mileage figure for roads to resources in the resource rich areas, many of which are in the northern parts of the provinces, comes to a total figure of 4,504 miles. That is in addition to the 2,000-plus miles we have already referred to in the Yukon Territory and Northwest Territories.

My own province of Manitoba has been a pioneer in northern development roads from the beginning. Most of our roads to resources program is taking place in the northern part of the province in order to open up the rich resource areas here.

Typical of the northern resource development is the opening of the Thompson mine which will involve a community of some 12,000 people within the next four years and is based on the deposit of nickel there. To deal with the area north of the 60th parallel, I have in my hand a copy of the *Northern Miner* for May 4 which has an article reading on page 24 in part as follows:

> One of Ventures' new undertakings of importance is its participation in the financing of Canada Tungsten Mining Corporation, now being moved toward production in the Yukon. Ventures had slightly more than a 14 per cent interest in the project and is maintaining this by purchasing 217,800 shares for approximately $240,000, and $389,136 principal amount of 6 per cent debentures with an additional 116,159 shares. Ventures is also obligated to provide, if required, its *pro rata* share of up to $1 million working capital.

Then there is this particular paragraph:

> With reference to Canada Tungsten, Mr. Fraser expressed appreciation for government aid and co-operation. Said he: "If the Canadian government had not undertaken the building of an 80-mile development road and had not agreed to contribute toward the cost of the 50-mile access road to the Canada Tungsten property, it might have been many years before the mine could have been brought into production or before further prospecting of the general area was vigorously pursued.

I read that because it is a concrete up-to-date example of the kind of development that is taking place much sooner than even the most optimistic could have anticipated under this roads to resources program.

I have been a member of the House of Commons for the past 10 years now and I do not recall anyone in the house ever suggesting that the problem of unemployment in the midst of prosperity is going to be resolved by one simple formula. I do not think it is a fair statement to suggest that any hon. member, including the Prime Minister, ever suggested in a simple generalization that roads to resources was the means whereby unemployment was going to be resolved. We all know that this is a North American problem. We all know, too, that it has been growing with cumulative effect ever since the end of world war II because of our failure to adapt our economy to the changing international economy as well as to domestic economics.

I sat in this House of Commons for year after year in the opposition and pointed out that Canada was living in an economic fools' paradise unless we came to grips with the adjustments that had to be made following the economic impact of world war II. Let us stick to the main subject at hand, namely the mileage involved in the roads to resources program. I think we can all recognize that it is having a beneficial economic stimulus on the total economy.

Mr. Pearson: I am grateful to the minister for his clarification and I will try to resist the temptation of following him into a discussion of unemployment. I have here a quotation from the Prime Minister's statement in Regina of February 13, 1958—it is from the Regina *Leader-Post*—in which he talks about a work program, including roads, of $1,185 million in order to assure jobs. It was a work program to assure jobs in so far as the 4,000 miles are concerned. Now the minister says he had in mind not only roads in the Yukon and in the Northwest Territories, but roads south leading to the north and access roads to the resources of the north. With a little bit more time I am sure the minister could find a good many more roads than even 4,000 miles of them because you could make a case for any road south being of value in opening up the north or leading in that direction.

The Prime Minister did not make any such suggestion as that in his broadcast, the text of which I have before me, and in which he talks about a road building program in the Yukon and the Northwest Territories. He said the program was 4,000 miles and there it is.

Mr. Dinsdale: Again, Mr. Chairman, I think this is just merely a matter of—

Mr. Pearson: Interpretation.

Mr. Dinsdale: —of different interpretations.

Mr. Pickersgill: Different figures.

Mr. Dinsdale: I think one of the essential features of the northern development program is the emphasis it gives to a new dimension in development in Canada. Up to fairly recently, the development has been an east-west development. I think we must agree that if we are going to move in a north-south dimension in terms of resources development, we must have access roads from our southern highway system. Typical of this is the Mackenzie highway which was completed last year and which now provides a highway into the Great Slave district which is an area of high mineralization. We could go into the Yukon and point out that the Alaska highway is an integral part of the northern development program. I think it all depends on the perspective from which you are viewing the subject.

Mr. Pickersgill: Would the minister say when the Mackenzie highway was started?

Mr. Dinsdale: The Mackenzie highway was first under construction in 1949. It has been completely rebuilt since 1958, I believe.

Mr. Fisher: I am glad the minister has opened up discussion in the field of the roads to resources program at this point because it gives me an opportunity to touch on an aspect of it which the Leader of the Opposition has perhaps been too kind to take the opportunity of discussing. I refer to what I think has been a great deal of bluff and wind about the roads to resources program. I say this knowing that this phrase is perhaps going to hurt the former minister who is sitting over there. However, I can remember an election campaign in which he was describing the merits of this wonderful road that was going to run from somewhere up in Manitoba to Hudson bay and down through northwestern Ontario through the Patricia district. It even got into his maps in the propaganda. I refer to this magic dotted line. It has been part of that propaganda with regard to these 4,000 miles of roads that are going to be developed. I still have not heard from the minister about this ruddy road program. As far as we are concerned, it goes from Erehwon to nowhere or, if you want to use the imagery of the Leader of the Opposition, from wigwam to wigwam. There is nothing really in between at the present time.

We should like to have some of this roads to resources program in the south. The announcement the minister made today about the road in New Brunswick is exactly the sort of thing about which I have spoken previously. These tenuous, mystic terms of the past—I refer to past election campaigns—it seems to me have been brought down to hard, cold reality by the very figures the minister filed.

Earlier today we had some remarks by some Conservative members from Ontario who talked about the wonderful co-operation one gets when one has a Conservative government at Queen's Park and a Conservative government in Ottawa. They say that things are just lovely and that things are moving in the conservation area. Since the minister today raised this subject of roads to resources, I should like to ask him why he is having so much difficulty in northern Ontario in getting co-operation from premier Frost and this lovely government at Queen's Park. Why is it that in spite of all the road projects that have been listed in the past—I think eight of them were listed last year as projected—very little work has been done on any of them? Where is the breakdown? Is Premier Frost not co-operating with him or is he not co-operating with Premier Frost? I think he knows the roads to which I am referring. I would appreciate greatly having answers to those questions.

Mr. Dinsdale: The reversion to this subject gives me an opportunity to make a slight correction in the statement made on motions this morning wherein I referred to a smelter at Heath Steele in New Brunswick. The actual word should have been a concentrator at Heath Steele. I make that correction in order to avoid any misunderstanding on that point.

To go back to the specific question asked by the hon. member for Port Arthur, may I say this. I think he is aware of the fact that the roads to resources program covers a 10-year period. As to the pace of construction on the projects upon which agreements have been entered into by the federal government, that is a matter that is entirely in the hands of the provincial government. I do not think it would be proper for me to express any opinion on that score. We have signed the agreement with Ontario. The agreement covers certain roads that are specifically outlined. As long as Ontario completes those roads within the 10-year period, there is nothing that the federal government can do about it.

Mr. Pickersgill: The minister, in trying to justify this 4,000 mile figure which the Prime Minister gave, says it is only 2,000. Apparently a mile of road in the north is two miles in the speeches of the Prime Minister.

This is described as a difference in point of view. I would have thought it was a difference in fact that one would hardly expect in the speeches of the leader of the government to the people of Canada on the program called "The Nation's Business". But this, I may say, is not the first time it has happened.

I should like to ask the minister about another road concerning which there was a good deal of talk. A road was to start from Lac La Ronge and be connected in some mysterious way with the bridge in Prince Albert, which is 175 miles away. It was then to go on to Uranium City. Could the minister say whether that road has been completed yet and whether it has speeded up the development of Uranium City.

Mr. Dinsdale: Mr. Chairman, I think we are somewhat out of order in getting into a detailed discussion on the roads to resources program. This item was passed some time ago.

The road to Uranium City is one of the roads specified in the agreement with Saskatchewan. I have the engineering data. The road covers a total of 505 miles. I am not quite sure of the date of this report, but it is a fairly recent one. It was made within a matter of a week or so ago.

I should say that about one quarter of that road has been completed. Progress is not too bad when you consider that there is a 10-year period in which the road can be completed. According to the engineering report, one quarter of the road has been completed.

Mr. Nielsen: Mr. Chairman, I have two points which I should like to cover here. One refers to a point raised by the Leader of the Opposition and the other to a point raised by the hon. member for Bonavista-Twillingate. In my view both these gentlemen have been trying to make political mileage—

Mr. Pickersgill: It was the Prime Minister who was trying to make political mileage.

Mr. Nielsen: —in trying to pick picayune holes in statements made by the Prime Minister and others concerning this northern development roads' program.

I have had my files sent down from my office and I have in front of me two statements made by the Leader of the Opposition. The hon. member for Bonavista-Twillingate talks about making statements to the Canadian people which are not accurate. He should listen to a little bit of that advice himself, and so should his leader. They talk about misadvising and misleading the Canadian people on these things. They talk about giving the Canadian people facts which are not facts.

Here is the statement made by the Leader of the Opposition in Vancouver on September 27, 1958:

> Diefenbaker's promise of a billion dollar public works program in the Arctic is the phoniest promise ever made in Canadian history.

The Prime Minister, in this house, in any campaign or anywhere else in this country, never said there was going to be a billion dollar public works program in the Arctic. He was describing a national public works program, included in which was a program of northern development roads.

If that statement of the Leader of the Opposition is not misrepresenting what the Prime Minister went to the country with, I do not know what is a misrepresenting statement. The Leader of the Opposition made another statement in Edmonton, Alberta, on October 4, 1958:

> Canadians have been hoodwinked by the Progressive Conservative government's promise of northern development.

That also is an extremely misrepresenting statement, because far from hoodwinking Canadians, the figures which I filed in this committee on May 4 show that in the period 1952-57 the total expenditures of the northern administration branch of this department were $29,906,075, compared with the period 1957-62 in which these expenditures amount to $137,600,472.

That is not a phony promise, as was expressed in the statement of the Leader of the Opposition in Edmonton on October 4. That is not hoodwinking the Canadian people. Does the hon. gentleman think it is hoodwinking the Canadian people to say to them, "We will build these development roads to develop the nation's resources"? All he has to do is consider the tungsten mine which is being developed. The Minister of Northern Affairs and National Resources pointed out that it is the only tungsten mine in Canada and will commence production in November, 1962. The largest single tungsten deposit in the world—it will place Canada in the position of being the world's largest single supplier of this very rare and valuable metal in the race for space.

This is what these roads are accomplishing. These are not roads from igloo to igloo. I would point out to the hon. gentleman once again that he has not yet answered my question as to whether he still adheres to his igloo to igloo statement. I do not think he does, but I should like him to admit it.

Mr. Pearson: Let me ask the minister some further questions on a general subject. I am not dealing with roads at this moment. I will have something more to say about that matter later when I obtain further details about the Prime Minister's statement. Perhaps when I have finished the hon. member for the Yukon will give me the sources of the quotations which he has just been good enough to put on the record.

I should like to ask the minister a question in connection with oil and gas development in the north. How many wells were drilled in the Yukon and Northwest Territories in the year 1959-60, and how many in the year 1960-61? How many acres in this northern area are under exploration, and how many acres are there over which permits are held or have been allotted?

Mr. Dinsdale: Mr. Chairman, I believe the Leader of the Opposition, in asking for some detailed information, restricted his question to the Yukon.

Mr. Pearson: No; the Yukon and Northwest Territories.

Mr. Dinsdale: To what period does the hon. gentleman want to go back with respect to acreage permits issued?

Mr. Pearson: Since 1957-58.

Mr. Dinsdale: The following are the figures:

		Permits Issued		Permits Active	
		No.	Acreage	No.	Total Acreage
1957–58	N.W.T.	217	11,035,053	403	21,439,160
	Y.T.	203	9,163,588	225	10,006,955
1958–59	N.W.T.	1,040	47,031,445	1,357	64,892,769
	Y.T.	153	7,144,616	323	14,953,990
1959–60	N.W.T.	211	10,089,932	1,541	73,233,420
	Y.T.	120	5,410,831	411	19,029,709
1960–61	N.W.T.	95	4,494,418	1,111	52,649,650
	Y.T.	—	Nil	233	11,156,668
31/3/61	Arctic	868	42,905,547	868	42,905,547
	Water	87	4,429,502	87	4,429,502

I believe the hon. member also asked me how many wells were driven. The totals for the two territories are as follows: in 1959-60, 30; in 1960-61 it is anticipated that the total will be 20.

Mr. Pearson: I am grateful to the minister for that detailed information. I wonder if he could tell me, however, how many acres were under exploration at the end of the financial year 1960 and also how many acres at that time in the Arctic islands were there over which individuals and companies held priority.

Mr. Dinsdale: I have the figures here as of March 31, 1961 concerning the disposition of the oil and gas holdings. I believe this is the information which the hon. member wishes to have. The figures, in tabulated form, are as follows:

DISPOSITION OF OIL AND GAS HOLDINGS—CANADA LAND
(Except those situated in the Provinces)
(as of March 31, 1961)

	Canadian Companies	Canadian Individuals	American Companies	American Individuals	Jointly Held	Totals
Arctic Islands	18,684,620 (43.7)	5,493,495 (12.5)	7,947,899 (18.5)	2,829,272 (6.4)	8,081,606 (18.9) 50%—Can. 50%—Amer.	43,036,892
Territorial Waters	2,145,706 (48.4)	—	2,283,796 (51.6)	—	—	4,429,502
Mainland N.W.T.	26,905,181 (51.1)	409,041 (0.8)	14,514,730 (27.7)	2,942,131 (5.6)	7,878,567 (14.8) 60%—Can. 40%—Amer.	52,649,650
Mainland Y.T.	3,373,634 (28.4)	31,122 (0.3)	4,981,424 (48.%)	50,262 (0.4%)	2,720,226 (22.9%) 100%—Amer.	11,156,668
Reservations	5,117,604 (100%)	—	—	—	—	5,117,604
Leases	8,883 (13,4%)	—	—	—	57,328 (86.6%) 50%—Can. 50%—Amer.	66,211
	56,235,628 (48.1)	5,933,658 (5%)	29,727,849 (26%)	5,821,665 (4.9)	18,737,727 (16)	116,456,527

Mr. Pearson: Again I thank the minister and I would like to put on the record for comparison with those figures a statement made over the air on "The Nation's Business" by the Prime Minister on March 3, 1960 as follows, and I quote from his broadcast dealing with oil and gas exploration and permits and priorities in the Yukon and the Northwest Territories:

Seventy five companies have taken almost 100 million acres under exploration.

Then:

In the Arctic islands 34 individuals and companies hold priorities over 130 million acres.

Mr. Dinsdale: Just let me point out that I think that reference was to priorities.

Mr. Pearson: That was what I asked about.

Mr. Dinsdale: These are permits. They do not necessarily represent the actual acreage taken out. Those were priority claims. In addition, the figure of 100 million quoted in the broadcast has been greatly exceeded.

Mr. Pearson: I asked the minister about priorities and apparently he gave me the figures relating to permits. Could the minister now give me the figures with respect to priorities in the Arctic islands as of March, 1960.

Mr. Dinsdale: Actually, we do not keep a record of priorities. They no longer exist. These figures represent the actual permits which have been taken out by companies and individuals.

Mr. Pearson: I wonder, then, if the minister would explain what the Prime Minister meant by that very impressive statement concerning something about which the minister says figures are not kept. I quote again:

In the Arctic islands 34 individuals and companies hold priorities over 130 million acres.

What does that mean?

Mr. Dinsdale: I think the hon. member has forgotten that there has been a change in the gas and oil regulations pertaining to the Northwest Territories. That was a reference to the situation exising before the regulations were changed, in 1959, I believe, or early in 1960. What I was referring to were permits taken out since the change in the regulations.

Mr. Pickersgill: I thought this might be a proper moment to give more permanent form to a clipping I have here from the Calgary *Herald* of April 14, 1960. The article is by Mr. Bruce Phillips of the *Herald's* Ottawa bureau. It is headed "Even Minister Confused by Northern Oil Code", and it reads:

Ottawa—The federal government hopes Canadians will be able to participate heavily in northern oil development—but it isn't making any guarantees.

Its hopes are contained in a loosely-drawn set of regulations governing Canadian participation made public Wednesday, which even resources minister Alvin Hamilton admits are open to various interpretations.

"Any lawyer could tear holes in them," he said.

He explained the government sought to avoid overly-restrictive rules—

And apparently overly-restrictive statistics, too.

—lest it discourage capital for northern development which must come in the first instance from foreigners.

"We don't want to kill the golden goose", he said.

And after more than a year of study, the minister said any lawyer could tear holes in it. The article goes on to say:

The regulations were drawn after more than a year's study, 30-odd full-scale cabinet meetings, and scores of conferences among government officials.

That is a rather impressive result.

The results appeared to confuse even the minister, and during the course of an hour-long press conference he gave two different interpretations of his own.

I could go on and read more of the article, but will confine myself to the doubtful section which reads as follows:

A lease shall not be granted—to a corporation incorporated outside of Canada, or—to a corporation unless the minister is satisfied that the shares of the corporation are listed on a recognized Canadian stock exchange and that Canadians will have an opportunity of assisting in the financing and ownership.

Then the article goes on as follows:

As Mr. Hamilton viewed this section after some discussion, it means a foreign company would have to set up a Canadian subsidiary and issue shares, a portion of which would be sold to the Canadian public.

He agreed, however, that others have placed a different meaning on the section. They believe it would allow a foreign company simply to register in Canada without having to establish a separate subsidiary selling shares of its own. The only shares available would be those of the parent company.

It seems to me that the minister, in giving statistics to the Leader of the Opposition, should also have indicated what interpretation has been placed upon this confusion which seems to exist about the regulations, as well as the statistics.

Mr. Dinsdale: Mr. Chairman, I have studied the oil and gas regulations with reference to the amendments which were made to the Canada mining regulations and, although I am not a lawyer, as I believe the hon. member for Bonavista-Twillingate is—

Mr. Pickersgill: No, I am not.

Mr. Dinsdale: A lawyer in process.

Mr. Pickersgill: No.

Mr. Dinsdale: I do not know whether that hon. member has studied the regulations or not, but, as far as I am concerned, there is no problem in the interpretation of these regulations. Reputable lawyers representing various development companies have come to the conclusion that the regulations are quite specific in their application.

Mr. Pearson: Mr. Chairman, I should perhaps know this, but maybe the minister will forgive me if I have forgotten; when did these regulations, of which we are talking, come into effect?

Mr. Dinsdale: Mr. Chairman, could the hon. member repeat that question?

Mr. Pearson: Mr. Chairman, when did the regulations, that we have been discussing for the last few minutes, come into effect?

Mr. Dinsdale: Mr. Chairman, as I recall, the gas and oil regulations became effective during April of 1960.

Mr. Pearson: I take it the statement of the Prime Minister, made in March, 1960, covering priorities, in which he said they amounted to 130 million acres, dealt with the situation as it existed before these new regulations came into effect, and had no application to the present position at all?

Mr. Dinsdale: Yes. Perhaps the word "priority" needs a little explanation. I should suggest it means exactly what it says; prior to the promulgation of the regulations, when companies approached the government with respect to taking out permits, they were informed that no action could be taken until such time as the regulations were promulgated. That merely meant that the first company applying would be first, the second would be second, and the third would be third. Allotments were made on a priority basis, and once the regulations were published, then permits could be taken out.

Mr. Pickersgill: Mr. Chairman, I feel there is one question the minister should answer. Could he tell us how many acres of priorities there were on the day before the new regulations came into effect, and how many of those acres of priorities were transformed into permits? If I am using the wrong language perhaps the minister could begin by correcting it.

Mr. Dinsdale: The hon. member complained a day or two ago, when I asked for some specific information in regard to specific statistics. I have forgotten what my question was, but it did not deal with as precise information as he is requiring this afternoon. However, as far as I can recall, the figure was something above 110 million acres. I could have that figure confirmed by the officials if it is desired.

Mr. Pickersgill: Perhaps the minister would like to have time to confirm that figure, and would go on now with something else. I feel we should have information regarding the total acreage under priority in various years in respect of the Arctic islands and the mainland before the regulations came into effect. I understand some of the priorities were converted into permits, but by no means all of them. Is that a correct statement, and to what extent have they become converted into permits?

Mr. Dinsdale: Mr. Chairman, I will obtain that information.

Item agreed to.

300. Welfare and industrial divisions—administration, operation and maintenance, $1,977,426.

Mr. Best: Mr. Chairman, without delaying the passage of these items, I should like to comment at this point on vote 300.

It is in regard to this item, as well as items 298 and 299, that one could make some remarks about education and the opportunities for development of our northern citizens, particularly the Eskimos and Indians. I should like to do so briefly. I understand from the various figures which the minister has given us that there are some 35,000 citizens of the north, of which 3,000 or 4,000 are Eskimos.

Mr. Dinsdale: Mr. Chairman, for the information of the hon. member, there are 12,000 Eskimos.

Mr. Best: Thank you very much. I have been interested in the artistic, cultural, and social development of our northern citizens, particularly Eskimos to whom the minister's department has given great assistance. I feel the minister and his departmental officials should be complimented in this regard.

We often hear criticism in Canada regarding the influence of other Canadians on Eskimo traditions and life, and I can refer specifically to Eskimo designs, stone and bone carvings, and so forth. I understand that the situation was in a state of flux as times changed, and, that if it were not for the fact that direction was given to these people, these arts might truly have died out with the passage of years. These artistic talents, on the part of Eskimos, have been manifested in recent years through the production of stone carvings, and unusual prints, stimulated by the officers of the minister's department. These have created a great impression in the artistic world in this country and, in fact, in many lands of the globe. The recent

printing method which has been developed may prove even more international in artistic merit than the earlier carvings. Creative work with fur, leather and other materials has been encouraged and I feel it should be carried even further. The recognition and independence these achievements give as well as the remuneration to the Eskimo artists, are most important. As a result of this remuneration the Eskimos is becoming more varied in outlook and I think this is evidenced by the fact that the Eskimos have hired at least one individual from the south to advise them in regard to the sale and distribution of their artistic works.

In addition, the introduction of such things as one room houses for the Eskimos which have been developed by the department in recent years are most interesting. I understand that there are to be more than a thousand of these sent to the north in the months and years ahead, to be purchased largely by the Eskimos themselves. I think this is a move in the right direction. The best of the old ways must be maintained, but some changes must be planned, and brought about.

The employment of Eskimos in hospitals and in various services as mechanics, in the north, is a healthy sign. The new vocational school at Yellowknife costing, I believe, some $3 million is an interesting development and should give an opportunity to those northern citizens to educate themselves, to acquire additional skills to develop fully the very great natural talents they have. As the minister has pointed out, the people of the north are Canadians, and have every right to equal facilities and opportunities.

I understand that the education of Eskimo children is not now so much a problem when the facilities are there; that they are able to bridge the gap between civilizations to a very great extent. The problem may perhaps lie more with the older group of 15 to 30 years of age, and older still, to try to give them the skills and opportunities to make a living in a changing world. It is commendable that this year 60 per cent of the Eskimos of school age are attending school, compared with only 16 per cent three years ago.

I would say again that the efforts of the Department of Northern Affairs and National Resources, of the minister and of the industrial division of the department deserve the highest commendation.

As far as the art forms which have created such a stir around the world are concerned, I would only say that the necessity for maintaining the highest standards possible both in materials and designs must always be kept in mind. As well, a close examination might continually be given to methods of sales and distribution of these products. From time to time it has come to my notice, largely by rumour, although from reputable people, indeed, that numbers of these products have gone forth from Canada to Great Britain, to Europe and the United States by various means. This may well be right and proper but I do feel that the first opportunity for acquiring these creations should be given to Canadians themselves.

Item agreed to.

305. Construction or acquisition of buildings, works, land and equipment including costs arising out of the relocation of the town of Aklavik and payment of such compensation as the governor in council prescribes to persons affected by such relocation, $9,261,140.

Mr. Pickersgill: This item represents, of course, a very large expenditure indeed. Perhaps the minister ought to give us a progress report on the moving of Aklavik.

Mr. Dinsdale: I think I can satisfy the hon. member for Bonavista-Twillingate with a very brief statement. The construction of Inuvik has now been completed. I visited Inuvik during the Easter recess and I must say it is a very impressive community located in a beautiful situation close to the Mackenzie delta. As a matter of fact, during my visit to Inuvik it was my privilege to take part in or initiate what might be regarded as the first film premiere in that far northern part of Canada. It was a film produced by the national film board dealing with the subject of building in the north, and it gave a very interesting review of the specialized construction techniques that had been developed as a result of the experience in building the new Inuvik community.

One of the interesting features of Inuvik is the outdoor utilidors which carry all of the necessary services, water, sewers and so forth to provide the amenities of modern living. I was impressed, too, by the school facilities. One of the finest schools in the whole system of the territory, I feel, is located in Inuvik and this gives me an opportunity to make just a passing reference to the comments of the hon. member for Halton who dealt with what I believe is a most important aspect of northern development, namely the development of our human resources.

The total cost of the Inuvik project, which has now been completed, amounted to some $34 million, I believe, and we hope to have an official opening sometime during the summer. As a matter of fact, we hope to have the official opening of Inuvik as soon as the house rises, and we are very optimistic that this will not be long delayed.

Mr. Pickersgill: There is one thing that I think would be very interesting. As I recall

it, some initial estimate was made of the cost of building Inuvik and moving people from Aklavik. Can the minister say what that official estimate was and how the actual cost has compared with the estimate? When this vote is passed will the expenditure be all completed?

Mr. Dinsdale: I am afraid I cannot give the initial estimate of the project. I have not it to hand but I can assure the hon. member that the vote before the committee represents the final cost of the construction of Inuvik, and the total figure is, as I mentioned, $34 million.

Mr. Pickersgill: The minister will be able to get the original estimate and give it to the committee at a later stage.

Item agreed to.

National museum of Canada—

306. Administration, operation and maintenance, $855,972.

Mr. Fisher: I should like to ask the minister a few questions about the national museum. The catalogue of 1960, Canadian government publications, which I hold in my hand is, I think, a good guide to the amount of work being done by cultural divisions such as this. In the last couple of years there seems to have been a falling off in the number and the kind of monographs being published by the museum. We had a large issue last year of the Huron-Wyandot traditional narratives in translations and native texts, by Marius Barbeau, a most prolific contributor to the museum. But in the main, the publishing record as revealed in the Canadian government publications is rather an anaemic one by this department, considering the number of people it has in various cultural fields. I am wondering whether this is a residue of the disturbance that took place in the museum several years ago, and what the publishing program is? I know it is hard to compare one field with another. I am sure some of the people in the museum are having articles printed in university magazines and in other places. But, in a nutshell, this is not a very impressive list of publications in the national museum when we look at the details in the estimates and see the number of professionally trained people there. I would just like to know whether I am correct in thinking there has been a falling off in the publishing of monographs and, if so, why?

Mr. Dinsdale: I believe we dealt with this subject to a limited extent earlier in the discussion. I do not have a copy of the publication referred to by the hon. member for Port Arthur but I do have some information concerning the studies that are in process and the list strikes me as quite an impressive one. The major studies that are under way in connection with the museum are as follows: The birds of Canada, the mammals of Canada, marine animals of the Canadian coasts, fresh water and marine fishes of Canada, reptiles and amphibians of Canada, molluscs of Canada, dinosaurs and other fossil vertebrates of Alberta and Saskatchewan, fossil vertebrates of Prince Edward Island, plants of the Canadian Arctic and sub-Arctic, plants of the Canadian Rocky mountains, plants of southern Canada, maritime provinces to to Manitoba, and mosses of Canada.

These are just a few of the studies that are under way in the natural history field and they strike me as being quite impressive. If the hon. member wishes details in other areas such as that of human history in which I presume he is most interested, I can say that the following studies are proceeding in that field: The pre-history of the Yukon territory to determine early human migrations to North America, the pre-history of the Arctic to establish the origin and migration of the Eskimo, the pre-history of Ontario, Quebec and the maritime provinces to establish the migrations and interrelationships of the Indians of eastern Canada, the physical characteristics of the early Eskimo, the material and social culture of the Canadian Eskimo, the cultural history and the languages of the Algonkian tribes of Canada, folklore and folk music of the French speaking communities of eastern Canada, folklore and folk music of English speaking communities and other ethnic groups. These are a few in the human history field.

Mr. Fisher: I do not think the minister did this before in his remarks but could he indicate what plans are being made to develop gradually the human history side of the museum more so as to lead to a greater contribution on the part of French Canadians to the country and its administration?

Mr. Dinsdale: We discussed this subject the other day as well and at that time I pointed out that every attempt is being made to strengthen the bilingual activity in the museum. There has been some difficulty in this respect because of the lack of required professional people with bilingual qualifications. The museum is offering assistance to certain research students for the specific purpose of strengthening this aspect of the museum's operations.

Item agreed to.

Canadian government travel bureau—

307. To assist in promoting the tourist business in Canada including a grant of $5,000 to the Canadian tourist association, $3,019,963.

Mr. Pickersgill: Can the minister say whether there have been any recent changes made in the Canadian travel bureau?

Mr. Dinsdale: Yes. I think the major change is the decision to open a bureau in San Francisco. This project is well in hand and we expect to have the service in operation by the beginning of June in ample time to meet the needs of the forthcoming tourist season. There has been a preliminary exploration of the United Kingdom and European market but no decision has been made on that score. It is felt, however, that we will have to strengthen our operation in this area, particularly with a view to making preparations for our centennial celebration in 1967 and also to co-ordinate with the stepped-up United States policy in this area.

Mr. Pickersgill: That is precisely what I had in mind. It seems to me that with the tremendous growth in wealth in the European countries and the change in the currency situation which make it possible for peoples to travel in North America who have not been able to travel for 15 years we should not let all of them go to the United States and by-pass Canada if there is anything we can do effectively to attract them here. I know, of course, that our air lines and the steamship lines such as Canadian Pacific and Cunard and perhaps even some of the other lines such as the Greek line are doing a great deal to encourage people to come to Canada, but it does seem to me this one field in which we can perhaps hope to do a surprising amount in the next three or four years by way of redressing in some degree our unfavourable balance of trade. If the minister can throw any more light on how active these explorations are and precisely what is being done with respect to the European market, I think the committee would be interested.

Mr. Dinsdale: I do not know whether I can add anything further to the remarks I have already made. The bureau is quite aware of the challenge of the changed economic picture in Europe. The director of the bureau, Mr. Alan Field, proceeded to Europe last year on an extensive survey. He has made representations which will become the basis of an expanded operation in this field.

Mr. Pickersgill: Is any use made of the officers of other departments such as external affairs, immigration and so on?

Mr. Dinsdale: Oh, yes. The trade commissioners operate in this area. The high commissioner for the United Kingdom has been a very active and enthusiastic supporter of tourist promotion. The closest possible coordination is maintained by the travel bureau with government branches such as external affairs, trade and commerce and so on operating in this field as well as with private travel agencies.

Mr. Garland: I have a few questions I should like to ask. I wonder whether I might call it six o'clock.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 7.30 p.m.

Mr. Garland: At six o'clock, Mr. Chairman, I mentioned the fact that I had a few questions I wished to direct to the minister. In so doing, I do not wish to repeat the arguments I put forward on April 21 when we examined these matters. However, it seems to me that the minister has left unanswered some of the questions I put to him at that time. I should like to point out that I am not pursuing these matters in any political sense but only in the hope that we can perhaps together focus public attention on this particular problem. I am referring specifically to the deficit in our travel account.

I would refer you, Mr. Chairman, to two figures in the Bank of Canada report which shows a steady worsening of this situation, from that in 1950 where we had a surplus in that travel account of some $49 million to that in 1960, ten years later, where we had a deficit of $215 million. As I say, this situation, of course, is worsening—as is proven—and it will be changed only by vigorous and imaginative action that recognizes the seriousness of this problem. Concerning the travel account between ourselves and the United States, there is a deficit of something of the order of $100 million. I hope to have something to say about that matter a little bit later.

Further in this regard may I say that I was disappointed to hear the minister's brief report on the action being taken to recognize the importance of the European tourist spending. From what the minister has said, the situation appears to be this. Last year they had a look at it; this year they are having a look at what they had a look at last year, and next year they may take some action. Thus three years are wasted when we could be taking some real advantage of the resurgence of the economy in Europe. I noted also

that the minister referred particularly to some proposed action in the United Kingdom. I hope he can give us some more information about that matter and about what action is proposed to be taken on the continent itself.

The other day I mentioned the matter of the degree of spending by the Canadian government as compared with that of some other countries. I do not wish to repeat the things I said the other day, but tonight I should like to refer briefly to the matter and compare our situation with that of Mexico. In 1960 the Mexican government more than doubled their spending on tourist promotion. They boosted it to 24.4 million pesos from 10 million pesos in '59 and there was a further increase in the 1961 budget. They are spending approximately $2 million. When one takes off the administrative costs from the Mexican allotment and does the same thing with regard to the allotment here in Canada, we find that we are spending a similar amount. When we compare our national budget with the national budget of Mexico, we find that ours is roughly $6.5 billion while theirs is $1 billion. It can therefore be seen that the Mexican government are spending six and one half times the amount of money that we are spending in this country. I would also remind the committee that this money is being mostly directed at the United States market and with some effect. In 1960 United States tourist spending amounted to $200 million plus another $100 million at the border.

Another aspect of the matter is, of course, the encouragement of more Canadians to spend their vacations in Canada. As I pointed out the other day, if one in six Canadian tourists spent his vacation in Canada, this deficit would be wiped out.

I think a strong program is needed to bring this matter to the attention of our people and also a strong program directed at our great potential markets. I very seldom in this chamber recommend the spending of more money by the government, but I believe the need in this field is very obvious. The returns are very rewarding. I do not think we can afford to ignore this situation any longer.

I should like to hear specifically what the government plans are because, from the results being obtained, it is quite clear that the present activity is not good enough, as is proven by these facts. I should like to hear from the minister.

Mr. Dinsdale: Mr. Chairman, in replying to the comments of the hon. member the other day I suggested he was far too pessimistic in his observations on trends in the tourist industry in Canada.

I pointed out that for the first time our tourist industry occupies the No. 2 position in terms of earning export dollars. I think that in itself is a move in a positive direction. We have occupied the No. 3 position for a number of years now, and our present position indicates that we are moving in the desired direction.

The hon. member made some point of comparing the Canadian situation with the Mexican situation. I do not think the two are quite comparable. For example, the climate of Mexico is somewhat warmer for a longer period of time and the tourist has access to the Mexican tourist market for almost a 12-month period.

The hon. member also quoted figures pointing out the growing number of United States dollars which are spent in Mexico. I understand that a good proportion of this expenditure is in the border towns, where extensive gambling operations are carried on. We do not have a similar activity in Canada, and from that standpoint I do not think the two countries are comparable. I think the percentage of United States dollars earned from that activity is 65 per cent of the total.

The hon. member also made a point about the increased allotment of funds by the Mexican government in tourist promotion. There is a special explanation for this. I understand there is a $3 per head tax on all tourists entering Mexico and this is applied to the cost of tourist promotion. A large percentage of the sum the hon. member mentioned is derived from that source.

We are on the verge of what we may call an explosion in tourist population—we use this phrase generally about a population explosion—and I think within the next few years we will see this situation developing in the tourist industry in Canada. The trend is already in that direction.

The tourist bureau has up to the present time devoted most of its attention to cultivating the United States tourist, for a very obvious reason. Here is a large population with a high standard of living right at our own doorstep and we feel this is the most lucrative source from which to increase our tourist dollars.

I am very happy to inform the committee that since 1958 the trend that had been under way up to that point, of a deficiency in terms of the relative position of United States dollars spent in Canada and Canadian dollars spent in the United States, is moving in the right direction. The imbalance in 1958 was $104 million; in 1959 it was $97 million, and last year it was down to $79 million. I think this is a very encouraging trend and suggests that the activities of the tourist bureau are paying off at an accelerated rate.

I think I should also point out, Mr. Chairman, that one of the reasons for the larger

expenditure of Canadian dollars in the United States market arises from the fact that Canadians have been in the habit of making visits to the United States for the specific purpose of going on a shopping spree. It has been a favourite Canadian pastime to take a week end or a week or so for the specific purpose of shopping in the United States. Canadians have been under the impression that goods in the United States are cheaper and perhaps more varied than they are in Canada.

My colleague, the Minister of Trade and Commerce, has recently been making speeches on this subject encouraging Canadians to shop at home. The Minister of Trade and Commerce has been pointing out that goods available here are equally as good and as cheap as those to be purchased in any part of the United States. I am sure the enthusiasm he is devoting to imparting this message will have its effect on the problem upon which the hon. member for Nipissing dwelt at some length tonight.

We must also take into account the fact that a good many elderly, retired Canadians go south in the winter and are actually in residence in the warmer climates of the southern states for months at a time. This involves a considerable outlay of Canadian dollars.

I appreciate the hon. member's desire to encourage tourism as quickly and as aggressively as possible. I assure him that this is precisely what we are doing. If the hon. member has followed the tourist promotional theme during the past few years he will have noticed that it is one of getting to know Canada better.

We feel we now have more effective representation in the United States; we feel this is having its effect. I understand we have been promoting the federal-provincial tourist conference for the past 15 years. This conference was first brought together for the purpose of getting closer collaboration between the provinces and the federal government in making a concerted assault on the United States' tourist market potential.

The province of Quebec, for example, has special attractions for United States tourists and I am happy to say that this province has one of the most effective tourist promotional campaigns. They have also pioneered in encouraging Canadians to spend their holidays in Canada and there has been a noticeable increase in visits by Canadians from the maritimes, Ontario and other parts of Canada to the province of Quebec.

I do not know whether there is anything else I can add to the points which have already been stressed, except to refer to the potential in the European market. Up to the present time this potential has not been specifically tapped or promoted by our tourist bureau. The trend in balance of payments here has been moving against Canada. Our citizens have been visiting the United Kingdom and Europe in larger numbers than the number of visitors to Canada from those two areas.

It is for this very reason that we feel the time has come for a direct assault on this market, especially in view of the increased prosperity in Europe and the United Kingdom and the tendency on the part of these people to travel more than they have in the past.

I appreciate the support the hon. member for Nipissing has given to this matter. I can assure him that I, as minister, and the officials of the tourist bureau are entirely in sympathy with the representations he has made. All in all I think we can say that tourism is moving in the right direction. The figure for expenditures in Canada last year was $417 million. That is the highest on record and all I can say is: as far as we are concerned, that and better will do.

Mr. Garland: In spite of all the fine things the minister has just said, and I do appreciate them, the fact does remain that the situation—the deficit on our travel account—is worsening each year. I can only hope that through all the people who are working in the tourist industry in this country this problem can be met.

I should like to ask the minister if there is anything new in reference to the proposed United States legislation to restrict the expenditure of American tourists in Canada. I know the hon. gentleman answered this question on a couple of earlier occasions, but I would point out that some time has elapsed since the matter was raised. I think the idea was first suggested by President Kennedy early in February. As to the last word I have, I would refer to a press report which appeared in the London *Free Press* of April 25. It reads:

> Washington (CP)—President Kennedy's proposed reduction in the U.S. tariff-free tourist goods allowance to $100 from $500 was approved by the house ways and means committee yesterday.

That was on April 25. The report goes on to say:

> But a committee spokesman said that Kennedy's request to maintain the reduction for four years was opposed by the committee, which will offer a new bill to the house of representatives today cutting the authority to two years until July 1, 1963. Kennedy wanted the authority until April 1, 1965.

I wonder if the minister has anything new to report on this subject and, if not, whether he would seize any opportunity which may present itself when President Kennedy, perhaps the outstanding tourist to visit Canada this year, is in our capital.

Mr. Dinsdale: We had two United States tourists with us on Monday and Tuesday, the secretary of agriculture and the secretary for the interior, and I assure the hon. member that I seized the opportunity to discuss this matter with those two gentlemen and particularly with the secretary of the interior. They pointed out that this whole subject has to be approved by congress and that there is every possibility of amendments being made. I am certain I have acquainted them with the Canadian viewpoint on this important subject.

Mr. Garland: In connection with this same matter I should like to point out the seriousness with which some of the businessmen in Canada who are connected with the tourist industry view this proposed change. I would remind the minister that when our Prime Minister visited Washington, on February 20 I think it was, he indicated, according to a Canadian press report emanating from Washington, that he had heard of no objection in Canada.

I wish to refer to only one of the news items I have here, although I have several. I should like to refer to a report which appeared in the Vancouver *Sun* of February 7 according to which Mr. James Hughes, executive vice president of the greater Vancouver tourist association called on the federal government to seek exemption for Canada if congress passes the scheme. Also concerned, according to the same report, was Mr. E. L. Harrison, president of the Vancouver board of trade. He foresaw a threat to the provincial economy and launched a fact finding study of the situation. Mr. Hughes is reported to have said that such a move by the United States would cut retail spending in British Columbia by a third and mean a loss of $5 million a year. Thus, without pursuing this matter further, I again express the hope that most earnest representations can be made in the appropriate quarter. Perhaps I may read one further excerpt from this report in the Vancouver *Sun*, a statement attributed to Mr. Hughes:

> If Ottawa takes the position that this will have no effect on the Canadian economy it will be wishful thinking.

So I think there is ample proof of the feeling across the country that such a move would mean a great loss to Canada if it were ever implemented as originally announced back in February.

Before I sit down, may I ask whether the minister can report on the activities of the tourist bureau office in New York since its move from 49th Street to Canada House on Fifth Avenue?

[Mr. Garland.]

Mr. Dinsdale: I have just obtained the information from one of the officials. He informs me that inquiries are up from 60,800 to some 70,900 since the move was made, which indicates that the situation has been considerably improved.

Mr. Garland: I thank the minister for that reply. Perhaps I am being partisan here, but it seems to me that the view advanced by the Liberals on earlier occasions—I am referring particularly to January, 1958, when we supported this move and when so many hon. members who are now sitting opposite rejected it in principle—has been justified by events. I am glad to hear the minister say the rewards have been encouraging, because it seems to me that this move from 49th Street to Fifth Avenue, which is really the show street, was certainly a good move. I am glad to hear the minister confirm the wisdom of making it.

Mr. Herridge: The tourist industry is an important and growing industry in Kootenay West and consequently a good number of my constituents are interested in the activities of the Canadian travel bureau.

Before raising a few questions I want to say that I check the United States papers and I check the Canadian papers and keep in fairly close touch with what the travel bureau is doing. I think it is doing an excellent job and I think its work has improved in recent years. No doubt that is the result of experience and of the recommendations of the committee on mines, forests and waters when the estimates of this bureau are discussed and members present their views and put forward suggestions.

Would the minister inform the house whether arrangements are being made for the establishment of an office in San Francisco? This question was originally brought up in 1959. At that time the minister informed the house and informed me personally that the government did not see fit to establish an office there because of budget requirements and things of that sort. I should like the minister to inform the committee whether any consideration is now being given to establishing an office in San Francisco. This is a very important location. I think one of our former cabinet ministers has been put out to pasture in San Francisco.

Mr. Pickersgill: They do not all go to San Francisco.

Mr. Herridge: This one was rather more fortunate. I do not know whether that would be altogether sufficient, but I should like the minister to inform us whether consideration has been given to that suggestion. I have been

asked to raise these matters in the committee by the tourist resorts association in my district.

During the discussion of the estimates a year or so ago there was reference made to the animated advertisement sign in Times Square, which was reputed to be the first, as far as publicity was concerned on the part of the tourist bureau, in perhaps any country. At that time the minister took a very optimistic view and approach to this animated advertisement. I should like the minister to inform the committee if that sign is still operating, and if there has been any check made as to the result.

I have been asked to inquire, regarding my third point, by a number of tourist resort operators in my district, and the number is growing every year. This operation provides an excellent opportunity, for an individual with limited capital who is willing to work over a period of years, to build up a nice litle business. I have been asked to point out that these resort operators are of the opinion that the Kootenays are somewhat overlooked in the advertisements directed to the potential tourist market. In looking at a United States paper recently I found there was quite a spread given to the advertisement of the Okanagan. The Okanagan is a very good fruit growing district; it is a lovely valley, but is not as scenic as the Kootenays. The only mention of the Kootenays, which appeared in that United States paper, was a statement to the effect that an individual would also find much of that which is to be desired in the Kootenays.

Mr. Chairman, the Kootenays are the Switzerland of Canada. There exist there unparalleled fishing, hunting, boating and hundreds of lovely beaches. There are seven excellent hot springs which are developed, or partially developed, as well as a number of small ones which have not been developed to date. The existence of these things provides a mecca for tourists, and I should like to impress this upon the minister and his officials this evening, because I feel they do not realize the opportunities for enjoyment that exist in the Kootenays along the lines I have mentioned. As a result I urge that further consideration be given, in advertising, to this garden of Eden of Canada.

I should also like the minister, when he is replying, to give us some information in regard to the department's policy on advertising in Canadian and United States papers and periodicals. I should like to know whether this is done on a rotation basis advertising one part of Canada one month and another part the next and what type of periodical is employed for this purpose. I should also like to know what psychology is used in the writing of these advertisements and whether they are written by government travel bureau officials or by private advertising firms.

I should be very pleased if the minister will answer these questions, and can assure him, if he does so, that I will be quiet for the rest of the evening while these estimates are being considered.

Mr. Broome: Mr. Chairman, before the minister replies, I should like to call his attention, and the attention of his officials, to those glowing remarks of the hon. member for Kootenay West, and inform this committee that those remarks apply equally to every constituency in British Columbia. British Columbia is really a tourist's paradise.

I am very pleased to note that a former cabinet minister is now in San Francisco in order to promote tourist travel, but I would suggest that the minister will be able to find very competent civil servants to staff the office, and will not be able to find any more cabinet ministers in British Columbia who are looking for jobs. I suggest one is probably enough in San Francisco.

As I understand the situation, his department is not using the direct mail method of inducing United States tourists to visit resorts in British Columbia, as well as Alberta, Ontario, the maritimes and across Canada, but I would suggest this is perhaps another method which would be useful. I would suspect that, because of the minister's love for the north, and the development of access roads to the north, it will soon become an equally attractive tourist paradise, and I refer to areas such as the Cariboo in British Columbia, the Yukon and the Northwest Territories. The opening of these areas will provide to tourists visiting these areas the attraction of adventure of a type which will not be found in the more settled parts to the south.

In view of the present balance of trade with the United States it would be very detrimental to the tourist industry if anything were done in the way of advertising which would restrict the flow of tourists from the United States. Trade in a tourist sense has been and is in favour of the United States, and I do not think this should be so. The tourist trade balance should be on Canada's credit side, and I hope the minister and his officials will work to that end.

Mr. Dinsdale: Mr. Chairman, as the hon. member for Vancouver South has indicated, we are opening a tourist bureau in San Francisco which will be in operation early in July. The opening of this bureau represents a concerted attempt on the part of the department to cultivate the very lucrative western United States tourist market. I am

sure one of the areas which will benefit most as a result of this promotional campaign will be that garden of Eden referred to by the hon. member for Kootenay West.

Mr. Herridge: I am sure it will.

Mr. Dinsdale: Some of our best national parks are located in mountainous areas, and we feel that with the bureau operating in San Francisco there will be a dramatic increase in the number of tourists flowing into Canada from this part of the United States.

As has been mentioned by the hon. member for Vancouver South, one of our most attractive tourist regions is, in our opinion, the wilderness of the Canadian north. Because of its geographic location it is anticipated that the greatest portion of the increase in the number of tourists coming to Canada will come from that area served by the San Francisco bureau. In anticipation of this influx of tourists the national historic sites and monuments branch has been active. As I mentioned in the committee the other day, we hope to have the Klondike festival operating for the 1962 tourist season. This festival is a revival of the romance of the trail of '98 and will be located in the Grand Palace auditorium in Dawson City. All these projects are designed to create greater drawing power on the United States tourist potential.

The hon. member for Kootenay West has made some inquiry as to the impact of the animated sign in Times Square in the city of New York, but I am afraid it is impossible to draw any categorical conclusions concerning its effectiveness. All one can say is that it is directed toward millions of people every day, and its effectiveness is shown by the increase of 40 per cent in the number of inquiries made at the New York office since the sign went into operation.

I think perhaps the hon. member himself may be able to draw some conclusions on this score if he attends the showing of the new animated films which will be held in the railway committee room on the evening of May 23 during the recess between the afternoon and the evening sittings. We are extending an invitation to all members of the house to be present. We feel this is even a better effort than last year because the drawings have been done by the eminent Canadian animationist, Mr. McLaren, who has gained an international reputation in the field of animated cartoons.

The hon. member also asked some questions about the nature of our advertising program. Recently the Canadian government travel bureau initiated media studies of its own which gather statistical data on a scientific basis and which make it possible for them to determine which media have had the most significant impact with regard to tourist promotion; but perhaps I can give a little general information on this score which might be helpful to the committee.

Over the past four years a conscientious effort has been made to improve the image of Canada to show it as not only a place for outdoor recreation, sports and sightseeing but a country with the second highest standard of living in the world with good resorts, hotels and restaurants. Particular emphasis is laid on festivals and events like the Stratford festival, the Vancouver festival, the Calgary stampede, the Canadian national exhibition, the Gaelic Mod and others. Increasing use is made of the more influential publications which have a high prestige value.

In 1961, the bureau plans to continue advertising designed to create a broader image of Canada to those citizens who have the means to travel and who live near enough to be logical tourist prospects for Canada.

The new major theme in our advertising in 1961 will be the trans-Canada highway, which has now reached the stage of near-completion, which will permit us to feature it as a major attraction for the 70 million people of the United States who are owners of automobiles.

The newspaper campaign in 1961 will use photographs rather than drawings, as was done in 1960. Larger advertisements of 1,000 lines will appear in major newspapers to attract attention by dominating the page. Plans are also under way to streamline the lists of newspapers to remove non-productive publications.

Just before resuming my seat, Mr. Chairman, I should like to refer to the special Atlantic provinces campaign. The special Atlantic provinces campaign was inaugurated in 1957 as a special economic measure to help the four Atlantic provinces, on the grounds that these provinces were more economically depressed than other provinces. Since that time the impact of the tourist industry in the maritime provinces has been moving onward and upward. Indeed, it was in that area of Canada that tourism first occupied the No. 2 position.

Mr. Badanai: I was very much interested in hearing the minister speak about the tourist bureau functioning now in New York and the one to be opened in San Francisco. Have we any tourist bureaux in the middle west, in Chicago or Minneapolis? In this area there are 30 million potential tourists. To my mind one of the greatest attractions is northwestern Ontario. People travel from Minneapolis up to Duluth, Minnesota and on to Fort William and Port Arthur. To complete the southern tour of lake Superior there is a highway of

approximately 1,200 to 1,300 miles which circles the entire lake from the Sault, down through the lakehead to Minnesota, and Michigan. I wish to tell you, Mr. Chairman, that this is one of the most scenic highways in North America. The scenic splendour is unsurpassed even by the magnitude of the rocky mountain area of British Columbia mentioned by the hon. member for Vancouver South and the area mentioned by the hon. member for Kootenay West. Nothing can compare with the splendour of the lake Superior area.

Is the minister's department considering doing anything about some promotional work to attract United States tourists to northwestern Ontario and inveigling them to take the southern tour? It is one of the features of northwestern Ontario. As a matter of fact, it can be classed as one of the major tourist attractions in Ontario. I urge the minister to give serious consideration to some promotional work in the middle west of the United States to attract tourists into northwestern Ontario. This may not be a national project to the extent that it benefits largely the province of Ontario, but indirectly, it benefits the entire nation. I can assure the minister that the lakehead cities are well provided with facilities to take care of many tourists when they get them, but we do need additional promotional work. The cities themselves are doing considerable work along that line; they are spending money on their own. People in the business are also doing the same thing, but we do require the assistance of the government, and I urge the minister to give some serious consideration to this part of the province of Ontario which richly deserves assistance.

Mr. Dinsdale: I can assure the hon. member for Fort William that our Chicago office is very active on behalf of this important section of Canada. Indeed, every summer the government of Ontario assists in promoting this particular scenic drive to which he has referred in such ecstatic terms here tonight by sending a representative to the dominion government travel bureau office in Chicago for the specific purpose of creating interest in tourism generally in the province of Ontario. Furthermore, our United States friends assist us in promoting the scenic drive because in their promotional literature directed to this particular market they emphasize a bit of the Canadian section of the scenic drive. All in all, I think a major effort is directed toward this part of Canada.

One of the most encouraging developments in past months is the response to our trans-Canada highway booklet which I believe has been placed in the hands of most hon. members. It was published just over a month ago and depicts the tourist attractions of all sections of the trans-Canada highway. Already there have been 98,000 individual requests for this booklet, and 70,000 copies have been distributed to automobile clubs across the United States. In fact, the first printing has been exhausted and we are now proceeding to a second printing.

Mr. Badanai: I just want to make another suggestion to the minister. I should like to invite him to take the southern tour. If he comes up to the lakehead I shall personally undertake to conduct him around lake Superior. I am sure that once he sees that beautiful scenic highway, the splendour of which tourists will view on a tour of this great highway, he will be sold on it and will feel well repaid for his trip.

Mr. Garland: Can the minister say what is the anticipated annual cost to operate the bureau being opened in San Francisco?

Mr. Dinsdale: We estimate that the total cost including necessary capital expenditure in the form of decorating, et cetera in order to prepare the office will be $60,000 for this year. That includes rental, staff and all other activities.

Mr. Garland: What is the anticipated annual operating cost?

Mr. Dinsdale: It should be reduced to $45,000 once the initial expenditures are out of the way.

Mr. Garland: I am speaking from memory now but I believe that the decision was made in November last year to open this bureau. I recall it being announced at that time. Is there any particular reason why it has not been opened earlier to take advantage of the full tourist year?

Mr. Dinsdale: The announcement was made first at the dominion-provincial tourist conference and at that time we had not even selected a suitable building in San Francisco. That was the first task. It was not done too easily because suitable accommodation is rather scarce in a city like San Francisco. We feel we have an ideal location. Once we obtained suitable quarters, plans have proceeded as quickly as possible to decorate and furnish them and to obtain the necessary staff.

Mr. Pickersgill: Mr. Chairman, if no one else has anything to say on this item, I allowed a couple of questions to stand. I know there is a loan item but otherwise this is the last item of the minister's spending estimates and I was wondering whether he could give me the information I asked for.

Mr. Dinsdale: That is the item with regard to Inuvik?

Mr. Pickersgill: There were two, the number of acres of priorities and the number transformed into permits.

Mr. Dinsdale: It was rather difficult to obtain figures on the anticipated spending for Inuvik but I think we have them as completely as possible in the short time that has been available. As of June 15, 1956, the first over-all estimate of the total cost for moving the items at Aklavik and, second, the cost of the new and enlarged installations at Inuvik, was as follows: Removal costs were $2,190,000 and new construction was $21,092,500, which gives a total of $23,282,527 or pretty close to the final figure. This, however, did not include the Department of National Defence establishments and the engineering fees. The actual cost including these other factors was $34,045,970. The additional costs amounting to $10.8 million were made up as follows: Department of National Defence base, $900,000; airport terminal, $849,682; laundry and freezers, $515,000; fire hall, $100,000; engineering fees, $92,000, which comes to a total of $2,456,682. The cost increases were due to the larger size of facilities and the increases in costs from the time of the original estimates, amounting in all to $8.3 million. I understand there are complete details on this subject in the proceedings of the committee on mines, forests and waters for 1958 but I hope that this brief survey provides the necessary information.

With reference to the priorities situation in the Arctic, I understand that prior to the coming into effect of the Canada oil and gas regulations on April 13, 1960, there were 142 million acres under priority. Following promulgation of the Canada oil and gas regulations 43½ million acres were taken up under oil and gas exploration permits. The reason for the differential in the figures arises, of course, from the fact that the Canadian participation clauses meant that some of the Americans who had established priorities did not pick them up and convert them into exploratory permits. As the hon. member knows, the policy of the government is to protect Canada's heritage for Canadians, and I think this has been demonstrated in the figures I have revealed to the committee.

Mr. Pickersgill: I thank the minister very much. Those figures are precisely the ones I had in mind and I am very grateful to him for them. As I gave the minister an indulgence a moment ago perhaps he would grant me an indulgence for one minute. This afternoon the minister did challenge the Leader of the Opposition, when he did not have a document here, about the statement of the Prime Minister with respect to jobs in the north. I have here the Ottawa *Journal* for February 13, 1958. I will not attempt to read the whole article. Five or six headings are given with respect to projects in the north. The article is headed, "Jobs for Thousands" and reads in part as follows:

The program would mean jobs for "hundreds of thousands of Canadians"...

Mr. Dinsdale: If I may add a coda to that theme, the program to which the Prime Minister was referring was the total program embracing the national development policy which included the north but certainly embraced much more than the north.

Mr. Pickersgill: To say the least, that is ambiguous, but the minister and I can argue about that privately. It does not appear from the article.

Mr. Denis: What part of the amount under this item goes to the province of Quebec to assist in promoting the tourist business? What part of the amount of over $3 million would apply to the province of Quebec or does it go into a consolidated fund of some kind?

Mr. Dinsdale: Each province has its own tourist promotion program. The vote indicated in item 307 is devoted exclusively to the cultivation of the American tourist potential and ancillary activities of that kind. There is no cost sharing basis between the provinces and the federal government. We come together every fall in an annual federal-provincial tourist conference and we try to co-ordinate our respective promotional programs to be most effective. This amount is an advertising sum that is earmarked primarily for the American market.

Mr. Denis: As the minister said before, Quebec is a very interesting province for tourist purposes. I have heard him talk about attracting American tourists to Canada. I suppose the minister has thought of using the French language in advertising or publicity to induce Americans to come not only to Ontario which is a very nice province although I would hate to say it is a better province than Quebec.

Mr. Dinsdale: We discussed this subject the other day on the first item. Certainly what we try to do in our trans-Canada highway booklet, for example—if hon. members have seen it—is this. We try to give a distinctive Quebec flavour to the section of the trans-Canada highway involved in the province of Quebec. But as I pointed out the other day, the literature as such is designed for the United States market which is primarily an English speaking market.

Mr. Garland: I was interested in the minister's remarks. In the course of the evening he has referred to the regional aspect of these programs. I should like to ask him by whom and by what means these decisions are arrived at?

Mr. Dinsdale: When I use that word "regional" I am referring to the natural regional divisions in Canada, namely the maritimes, central Canada, the prairies and the western coast. We have pamphlets which deal with the prairie parks, for example, or the western parks, the maritime attractions, features that are peculiar to central Canada and also special features of the province of Quebec. The trans-Canada highway booklet is divided on a provincial basis. Each province is represented in this publication.

Mr. Denis: In order to take advantage of the trans-Canada highway advertising you must have a trans-Canada highway. As the minister knows, Quebec always refused to participate in the trans-Canada highway project until the last election; therefore if you spend your money only on advertising the trans-Canada highway, to date Quebec has had nothing in the way of advertising.

Mr. Dinsdale: I am just referring to one bulletin. We have many other bulletins. Perhaps just as attractive is our "Invitation to Canada" bulletin which exposes all the charms of la belle province.

Mr. Denis: Unfortunately, it was the wrong bulletin that you have been talking about.

The Chairman: Shall vote 307 carry?

Mr. Macdonnell: I wish to add a word to what the hon. member for Fort William has said about the lake Superior area. I spent some time there when I was a student on a survey party. I think that area tends to be regarded as a blank between the east and the west. I notice that it is serviced from Chicago. I understand the reason for that or at least I think I do. After all, that is where the customers are. I hope those who are servicing it really know what it is like. I cannot imagine that the Creator ever made a finer place for tourists. It does not seem to be made for many other things but for tourists it is ideal. There is practically a lake apiece for anyone who wants to go there.

Mr. Taylor: I should like to add a word or two with regard to this item. First of all, I should like to say how pleased I was to find that this year we would be voting some $3 million in this item for the Canadian government travel bureau. That is a substantial increase over the vote for 1960-61. I should also like to draw the attention of the minister to the Century 21 exposition to be held next year in Seattle, Washington, when that city will play host to the nations of the world. It is my understanding that this will be the first exposition to be held in the United States for 23 years. As I mentioned, people will be coming to Seattle from all parts of the world. Seattle is just 150 miles from us in Vancouver.

I should like to feel that the officials of the minister's department would do everything possible to encourage the people who travel to Seattle to come up to Vancouver in order to see us there and to travel through the province of British Columbia. While that exhibition is in progress there I should like to feel that we could send some major units —for example, the searchlight tattoo—to Seattle, Washington, It could do a fine job in that area. Thousands of people saw the searchlight tattoo when it was put on in British Columbia. I should like to feel that the officials of the Canadian government travel bureau would make an effort to see whether this really fine Canadian product could be sent to Seattle in order to entertain world visitors there. Because of the value of the tourist trade to us in British Columbia, I should also like to feel that the minister might encourage the Prime Minister to be in Seattle, Washington, at the time of the exposition. I understand that an invitation has already been extended to him to be there.

I do not want to pass this particular subject without drawing to the attention of the minister the fact that some 45,000 visitors a day are expected in Seattle, Washington and that there will be more accommodations there than were developed for the Brussels world fair. This will give you some idea of the size of this exposition being staged in Seattle which is a city much like Vancouver, of equal size and in the same location in the Pacific northwest. I therefore hope that the officials of the Canadian government travel bureau will do everything possible to send Canadian shows or Canadian spectacles to the Seattle area because such action will certainly help us in every way possible. It may well be also that special billboards could be put up in Seattle encouraging tourists to come north. It may well be that we could have an animated sign much like the one the travel bureau have erected in Times Square in New York.

May I also say how pleased I am that the government has decided to open up a travel office in the city of San Francisco. I know that at the present time the civil service are trying to secure a person to supervise that

office. I should like to urge upon the minister that, if at all possible, the officer who will supervise that office be a person from western Canada. Most of the tourists will be from the Los Angeles and San Francisco bay area. We should like that officer to have an intimate knowledge of everything in the western provinces of Canada. That office will serve us well. It may well be that in the near future, in order to have a slightly more elegant office, the Canadian government could join forces with the provincial government because they are also setting up offices in San Francisco at an early date.

I therefore make two suggestions. One is that we join with the province of British Columbia in having a more elaborate set-up in San Francisco. The second is that we have managing the office in San Francisco an officer who will be from western Canada. I saw the animated sign in Times Square. I thought it was a sound effort. It must be doing a good job. Many people have commented upon it. However, that sign is in the east. I hope that we can have a similar sign in the Los Angeles area or in the San Francisco area because of the tremendous value to us of the tourist trade in that area.

When you open up the travel bureau office in the bay area, I think it would be a reasonable suggestion that you have many Canadian government officials in that area and also that you take with you a contingent of the R.C.M.P. They put on a colourful show in that area but it would indicate to everyone that Canada is doing something in that area. That is one added suggestion. You will be opening your office, I presume, in July. If we did open it at that time surely we could fly in or take in by some manner or means a unit of the R.C.M.P., with horses if necessary, and other things of Canadian content.

Mr. Drysdale: Vancouver Lions.

Mr. Taylor: We could try that also. There is one other matter I should like to draw to the minister's attention. I dealt with it at length yesterday. I refer to the matter of winter tourism. I now have the official report of the engineers who reported to the Canadian Olympic Association. On page 29 of that report they say this—and this is an unbiased report:

> The present exodus of skiers from the Vancouver lower mainland to the U.S. for week end and vacation skiing results in the outflow of perhaps $1 million annually which is not counterbalanced by any return visits to British Columbia since there are no facilities available to attract U.S. tourist dollars.

The report goes on to say:

> Provided the development required to satisfy the local lower mainland demand were supplied, then it is believed that the international exchange of tourist dollars would, at least, be balanced, and it might even be possible to achieve a net inflow of tourist dollars to the lower mainland area for skiing purposes.

The report points out that on a typical week end, Seymour, which is a ski area very close to us in Vancouver, receives 6,000 skiers, whereas Mount Baker, a United States resort about 90 miles south of us in Vancouver, receives some 4,000 skiers. It was that situation to which I referred yesterday and it it is my earnest hope that in the foreseeable future something will be done to rectify this situation.

Mr. Drysdale: What about Garibaldi?

Mr. Taylor: In all fairness I must say that the Canadian government has done a fair job in encouraging tourists to come to our area in the summertime. However, I hope much more encouragement can be given, coupled with the building of a proper resort in our area to encourage people in the northwest area of the United States to come to Canada and British Columbia for the winter tourist season.

I was pleased to find that a year ago, for the first time to my knowledge, the Canadian government travel bureau sent pamphlets to an international winter show. I refer in this case to Squaw Valley. Thousands upon thousands of pamphlets were distributed to people who came from all over the world to follow the winter sports events at Squaw Valley.

This was a very good thing and I hope that in the future Canada will have on the grounds of these international sports areas a suitable warming area, if it is in the winter time, which could be called the Canadian area or Canada House. I know that at Squaw Valley the French had a typical and appropriate building, as did Austria and some other countries. We did not plan well enough in advance to have such a building.

We now know that other countries construct this type of building and I hope that at Innsbruck, where the next international winter show will be held, we will have an appropriate warming area so that people who gather at the show can go there, see Canadian wares and pick up Canadian literature.

I also hope we will have a small Canadian pin of very inexpensive construction available at this show. These pins are found everywhere at these international events. I do not think pins of this type would cost more than a cent or two apiece. I am not talking of the type of pin which must be screwed on or affixed to your lapel with other expensive gadgets; I am talking about a pin of simple design, certainly with the maple leaf and the word "Canada" on it which can be pinned

on to one's lapel in some appropriate and simple way. This is so important at these international events and I hope the minister will at an early date get in touch with some companies or Canadian research institute and have them design an appropriate pin which can be handed out.

I have another point which ties in with government promotion of the tourist industry. British Columbia needs direct air services to southern California to tap the rich source of tourist dollars there. We have no direct carriers into the California area at the present time. If we had carriers, they could fly directly from San Francisco into Vancouver and we could do a better job in bringing tourists into British Columbia.

I feel that we could solve some of our other tourist problems by instituting the type of system the United States government has provided at their ports of entry and airports. One can go through United States customs on the Canadian side and when you de-plane, for example in New York, there are no further delays in the host country.

If we had carriers flying directly into Canada we could open Canadian customs and immigration offices, say in Seattle, and when the traveller arrived in Vancouver there would be no further delay. Delays are encountered at the present time.

If the officials of the Canadian government travel bureau could encourage their counterparts in some of the other government departments which are concerned with this problem, perhaps progress could be made. I know that Mr. Field and his officials are doing the very best job they possibly can. I know that as a member of parliament I call his office from time to time and every courtesy is extended to me. I know he is keen to help hon. members and if there is a reasonably good suggestion he will try and go along with it and help.

Limitations are placed upon him, but I hope some of these problems to which I have referred can be solved and that progress can be made because of the great importance of the travel business to us in British Columbia.

I should like to refer for a moment to an article which appeared in *Time* magazine, March 3 issue. It says this about the United States:

> Playing the genial host, the U.S. senate last week laid out a huge welcome mat for foreign tourists anxious to visit the U.S. Passed by the senate and sent to the house of representatives for almost certain approval was a bill establishing a United States travel service, whose function will be to persuade more foreigners to visit the U.S. Provided with an initial budget of $5 million, the national tourist office will open branch offices abroad, work with private business to simplify tour arrangements and hotel accommodations, entice potential visitors with a "Tour the U.S.A." program.

The article goes on to say this:

> An important task of the tourist service will be to speed up visa and entry procedures. A major irritant for foreign travellers is the U.S.'s visa requirement, a practice that all but disappeared in western Europe.

The article continues:

> U.S. consulates abroad have done much to simplify visa applications...The whole process usually takes less than 20 minutes.

It also deals with the way in which the United States air lines have assisted the United States travel bureau in promoting this "tour United States" program. I hope we can adopt a program of this type here in Canada and even improve on it.

I have often wondered just what the Swiss people would do if we vacated this country, and what the Swiss travel people would do when they realized that they had living next to them 180 million of the world's richest people, all of them infected with the travel bug. They have developed their resources in a very fine way. We have not done so, as I indicated to the minister in my humble way yesterday and, I hope, to some degree today. I hope we can show a much greater increase in our tourist trade both in the wintertime and in the summertime in the very near future.

Mr. Smith (Calgary South): In past years I have been somewhat critical of the travel bureau on this vote, but I should like to acknowledge what I consider to be a great improvement in the attempt made by the bureau to present the Canadian image abroad in its true perspective I have suggested in past years that the material they have produced has been designed by and large to show Canada as a vast wilderness. In fact, I was getting concerned that so many Americans crossing the border found it surprising that we had indoor plumbing. We were being pictured abroad as a country which could only contribute cold weather, mounted policemen and ducks. I think the bureau has made considerable progress with regard to the nature of the material it has produced, not only in its publication but in the media of newspapers and television which it uses.

I should like to emphasize in all seriousness the need for a further advance in terms of showing the tourist, not only from the United States but from all the other countries, that we have a great deal more than fast running water for excellent fishing, and excellent hunting. All these things we accept as a fact in Canada. I suggest, however, that in addition to these natural resources tourists expect facilities and accommodation at least

as good as those offered by competing areas. We tend to lose sight of this. We have drawn attention to our outdoor attractions without giving a clear indication that this country has many metropolitan areas where visitors can enjoy good shopping and pursue many cultural interests. I think that if we were to move even further along these lines it would further the policy of the minister and of his colleague the Minister of Trade and Commerce. I offer, as a suggestion, the proposal that we should advance still further in this direction. However, I believe that this year the bureau has shown something more of Canadian life than just the outdoor atmosphere and outdoor activities. I am sure, also, that all concerned with the activities of the bureau are encouraged by the fact that in the past two or three years they have been receiving a great deal of support from provincial bodies. All of a sudden the people of Canada have become conscious of the importance of what the activities of the bureau means to Canada and of what tourism in general means to Canada, and I think the majority of these people at their conventions are agreed that we must present a more balanced approach calling attention to all the facilities which this country has to offer rather than emphasizing one particular facet.

I close, as I began, by congratulating the bureau on what I consider to be a definite improvement and by hoping that the emphasis will continue to be on a broader Canadian picture and a wider approach to Canada.

(Translation):

Mr. Lafreniere: Mr. Chairman, I merely wish to add a few words to the remarks just made by the distinguished members who preceded me.

I know that in all parts of my province, there are marvellous sites, but I should like to single out in particular the enchanting sites to be found in the constituency of Quebec-Montmorency, which I represent here. We find there several places worth-while visiting but I should like to draw your attention in particular to the Montmorency falls. Nothing has been done until now by any authority to improve the approaches to the Montmorency falls in order to facilitate their access to tourists. I know that, at present, there is in my constituency an organization of businessmen and important people who are trying to develop that historical and delightful spot.

That is why I take this opportunity of expressing the wish that the Minister of Northern Affairs and National Resources (Mr. Dinsdale) pay special attention to that part of the country of which we are rightly proud.

[Mr. Smith (Calgary South).]

I do not want to discredit other provinces, but simply to say that we have in our province a special atmosphere, because tourists who come once, feel that they want to return frequently.

(Text):

Item agreed to.

Northern Canada power commission—

486. Advances to the northern Canada power commission for the purpose of capital expenditures in accordance with subsection (1) of section 15 of the Northern Canada Power Commission Act, $242,000.

The Chairman: Shall this item carry?

Mr. Pickersgill: No. I asked the minister if he would be prepared for a question. I shall not even ask it if the minister has his answer ready.

Mr. Dinsdale: I believe the hon. member wishes to have information concerning the Atlantic provinces power development program.

Mr. Pickersgill: Specifically, I wanted to know what had been spent since May 10 of last year.

Mr. Dinsdale: I have not the expenditure figure broken down in that way but I can give the hon. member the total expenditures up to March 9, 1961. For New Brunswick, for transmission facilities, the total expenditure has been $6.458 million.

Mr. Pickersgill: That is ever since the scheme started?

Mr. Dinsdale: Yes. Coal subventions to the end of March of the present year amounted to $1.784 million. That is a total of $8.242 million. Other figures are: Nova Scotia, transmission facilities up to the end of March 30, 1961, $4.222 million; thermal plant up to the same date, $2.865 million; coal subventions to the end of March, $3.260 million, making a total of $10.347 million or a total expenditure of $18.589 million.

I can give the anticipated expenditures for the current fiscal year if the hon. gentleman wishes to have that information.

Mr. Pickersgill: I think it would be interesting to have it.

Mr. Dinsdale: In New Brunswick the expenditure for transmission facilities will be $4.751 million; in Nova Scotia for transmission facilities, $1.253 milion; for the thermal plant, $.363 million, and for coal subvention, $1.700 million making a total of $8.067 million.

Mr. Pickersgill: Could the minister tell us where the thermal plant is?

Mr. Dinsdale: The expenditure regarding the thermal plant represents a continuation of the Trenton thermal plant.

Mr. Pickersgill: The Trenton plant is the only plant covered by this program so far?

Mr. Dinsdale: Yes.

Mr. Pickersgill: There is no plant in New Brunswick covered by this program?

Mr. Dinsdale: No, there is no plant in New Brunswick covered by it.

Mr. Pickersgill: Under this program there is no expenditure for either of the other two Atlantic provinces?

Mr. Dinsdale: No, but we are negotiating an agreement with the province of Newfoundland at the moment.

Mr. Pickersgill: Could the minister inform us as to the project in regard to which these negotiations are taking place?

Mr. Dinsdale: In Newfoundland the project is a transmission project in connection with transmission facilities from Whitbourne to St. Marys bay.

Mr. Pickersgill: The minister is perhaps aware of the offer which was made some time ago in connection with possible developments at bay d'Espoir. I take it that offer is still open if the company concerned is able to go ahead with the project?

Mr. Dinsdale: Mr. Chairman, of course all these projects are arranged on the basis of negotiations, and if a project of that kind was involved in an offer, we should be quite happy to discuss it with the province.

Mr. Pickersgill: I am not attempting to put the minister on the spot or criticize him in any way, but perhaps the minister does not recall that his predecessor, or the Prime Minister, came into the house and made an offer publicly. It was dependent, of course, on the power development project taking place at bay d'Espoir, and I take it that offer has no terminable date, and when this power development is under way that offer will still be open.

Mr. Dinsdale: Perhaps, in view of the hon. member's interest in this matter, I should quote the record on the subject. On February 19, 1959, the premier of Newfoundland wrote the Prime Minister asking under what terms the federal government would agree to aid in providing transmission facilities for the proposed bay d'Espoir development of Southern Newfoundland Development and Power Company. The initial development of the power site would have cost about $25 million and the ultimate development would have cost about $60 million. The total cost of transmission facilities ultimately would have cost about $10 million to $12 million.

The Prime Minister replied on May 2, 1959 to the premier of Newfoundland. He offered aid under the Atlantic Provinces Power Development Act substantially in the form of the agreement with New Brunswick and Nova Scotia. However, because of a change in circumstances, the premier did not accept this offer, and that is where the matter stands.

Mr. Pickersgill: I think the real situation is that the project itself, because it is a very big project, would require customers for the power before it could possibly be undertaken, and has not reached the point where it can be proceeded with. What I wished to make sure was that when this was possible the offer would still apply.

Mr. Dinsdale: Mr. Chairman, perhaps as a final word on this matter I should repeat that if the project qualifies under the act it will be considered.

Mr. Pickersgill: That is not really what I am asking. I am asking, if the project goes ahead, and since the offer was made under these terms, will the offer still stand?

Mr. Dinsdale: Mr. Chairman, I understand that under the Atlantic Provinces Power Development Act the province concerned has to enter into an agreement.

Mr. Pickersgill: Yes, certainly.

Mr. Dinsdale: Such an agreement would have to be worked out under the terms laid down by the act.

Mr. Pickersgill: I understand that.

There was another rather celebrated matter connected with electricity which the minister may or may not be briefed about, but which I recall very well. There was a letter written by the premier of Newfoundland to the Prime Minister on the day the Prime Minister visited Newfoundland in the year 1958. I see that the Solicitor General remembers this occasion very well. The Prime Minister made a reply to that letter at a public meeting, and subsequently replied in writing, to the premier, that the proposal contained therein would receive consideration and that a reply would be sent in due course. Up to the last time I made inquiries, no reply had been received. I wonder whether the minister would look at that correspondence to see whether something could be done.

This is a very simple matter. It amounted to a proposal that, since transmission lines in the sense in which they were built as intercommunicating systems in New Brunswick and Nova Scotia, were not really relevant to any existing situation in Newfoundland, but distribution—by that I do not mean

detailed distribution within a community—lines interconnecting communities involved a great problem in speeding up the electrification of Newfoundland, that in order to provide something which would meet the local situation there on a scale comparable with what was being done in New Brunswick and Nova Scotia, should be undertaken. The minister is obviously anxious to make a name for himself, and there is no doubt that if the federal government could do something in this field there could be some speed up in the program for rural electrification, which has made very great strides in Newfoundland in the last ten years. What I am suggesting to the minister is that he should put this program in his active consideration file, and I use the word "active" in perhaps a little more dynamic sense than it sometimes has been used.

Mr. Dinsdale: Mr. Chairman, I have no personal knowledge of the episode to which the hon. member refers. However, on looking back at the history of this project, I know that, due to the office of the former cabinet minister from Newfoundland, the name of this act was changed from the maritimes power development act to the Atlantic Provinces Power Development Act in order that Newfoundland could be brought under its terms. I assure the hon. member that every portion of that act, which has been applied to the other maritime provinces, will have the same application to Newfoundland.

Mr. Pickersgill: That is precisely what I am asking the minister not to do. I am asking the minister to adopt a policy to meet the different conditions. The premier of Newfoundland, at a meeting of the Atlantic provinces economic council about a year ago in Halifax, pointed out that one of the difficulties—he was criticizing the previous government—not the present one—was that many of us here in Ottawa tried to force local conditions to fit some formula that was devised by some very well meaning public servants and put forward by the government in Ottawa, and that a lot of these things, for historical reasons, fit Newfoundland rather less than they fit other provinces, simply because Newfoundland has had only a very short history as a part of Canada.

What I am really suggesting is, that the minister with his fresh eyes, his zeal and his capacity to take shorter views rather than longer visions, would look at the situation as it is in Newfoundland in an attempt to fit his formula to the facts rather than trying to force the facts into the formula, or just saying that it cannot be done.

[Mr. Pickersgill.]

Mr. Dinsdale: Mr. Chairman, in view of the hon. member's comments I shall put this suggestion into my "active" suggestion file.

Mr. MacEwan: Mr. Chairman, I should like to ask the minister if I understood him correctly to say that exclusive of this year's estimates, $6.4 million would be spent on the thermal plant at Trenton in my constituency, and if so, is the amount of $3.6 million in this year's estimates the final amount to be spent on this plant?

Mr. Dinsdale: According to the information I have, Mr. Chairman, the cost of the thermal plant, up to the end of March 30, 1961, was $2,865,000, and there is a further expenditure this year of $363,000.

Mr. Nielsen: This gives the minister an opportunity to reply to my query concerning the establishment of a public utilities commission to govern the rates of Northern Canada Power Commission and other power suppliers in the Yukon.

Mr. Dinsdale: I believe this is a subject that has been under discussion by the Yukon territorial council and any decision that is made in respect of this matter would be on the basis of the recommendation from the territorial council.

Mr. Nielsen: I believe they have already suggested the establishment of such a commission. I am wondering whether it would be considered by the minister?

Mr. Dinsdale: I shall have to put this subject in my active consideration file as well.

Mr. Howard: One further question of the minister. Does he have a file labelled "sympathetic consideration"? If so, how full is it?

Item agreed to.

487. Advances in accordance with agreements entered into pursuant to the Atlantic Provinces Power Development Act, $6,367,000.

Mr. Pickersgill: Before this item carries, Mr. Chairman, I think I would just like to say, since this is the first time the minister has gone through this experience and since I do not, because it is not my custom to take up the time of the committee in doing this kind of thing—

Some hon. Members: Oh, oh.

Mr. Pickersgill: Just wait until the hon. gentleman hears what I am going to say. Since I did not congratulate the minister on his appointment I must say that I cannot forbear to express very limited but very genuine congratulations on the good temper and the good humour with which he has endured our questioning for a rather long time.

Some hon. Members: Hear, hear.

Mr. Dinsdale: Mr. Chairman, after such a gracious speech I can only heartily reciprocate my personal sentiments. Perhaps I will also conclude this very interesting and beneficial discussion by thanking the hon. members for their extended interest in the various activities of this department. It would seem that, to quote a reference made by the hon. member for Vancouver-Burrard just a moment ago, they have seen our sign in the east and have come to worship it.

Mr. Pickersgill: Mr. Chairman, I have a suggestion to make to the rules committee through you, sir, and that is that next year we bring in the estimates of the Department of Northern Affairs and National Resources before the address in reply to the speech from the throne and perhaps the two can be combined.

Item agreed to.

The Chairman: This completes the estimates of the Department of Northern Affairs and National Resources.

DEPARTMENT OF FISHERIES

131. Departmental administration, $473,500.

The Chairman: This item may be found on page 29 of the blue book and the details on page 206.

Hon. J. A. MacLean (Minister of Fisheries): Mr. Chairman, during the current session of parliament several members—perhaps I should say all members—representing fishing constituencies have made reference to some of the fishery problems in their areas. In order that the committee may see the whole picture, I shall attempt briefly to review progress during 1960-61, and to indicate some of the outstanding features of these estimates for the fiscal year 1961-62.

The role of the department is essentially one of conservation and utilization of Canadian fishery resources in the broadest sense. This role embraces everything from fundamental research in the biology of marine life to the work of our test kitchen in helping consumers to get the greatest possible benefit and enjoyment from eating fish. The various services of the department all have a part to play in this co-ordinated effort.

The department, of course, does not catch fish or market fish. We are, however, keenly interested in and concerned with the economic health of the industry. This over the long run justifies our efforts. I shall therefore refer briefly to the results achieved by the industry in 1960 and to the prospects for the current year as we see them now.

As is so frequently the case in fisheries, the year 1960 had its successes and its disappointments. It so happens that much of the disappointment was felt in the fisheries of British Columbia. Normally, the year begins with an active herring fishery for the meal and oil markets. In recent years, whaling has commenced early in the spring. Last year, world markets for fish meal were seriously depressed following a sharp expansion in production in Peru and other countries. As a result neither the herring fishery nor the whaling operations were able to proceed in British Columbia except on a much reduced scale. The salmon fishery, while not affected by any market weakness, experienced a low phase in the cycle of production in almost all species. Total landings of salmon at some 74 million pounds were only 70 per cent of the preceding year. The halibut fishery produced an increased yield of 8 per cent but lower unit prices resulted in a 6 per cent decline in value. The depressed prices for meal and oil persisted throughout the year and it was not until late November that the fishermen and processors were able to work out a basis for production. Thus over-all landings of herring fell from 444 million pounds in 1959 to only 186 million pounds in 1960.

At this point perhaps I should say a word about the fish meal situation. In addition to the herring meal production on the Pacific coast, we produce about an equal quantity of meal on the Atlantic coast as a by-product of filleting and canning operations. Canada's total production, however, is less than 5 per cent of world production and prices to our producers are determined by an international market. For that reason, FAO's move to convene a meeting of all interested countries to examine the problems that have emerged recently in the fish meal trade was welcomed by the government. The meeting took place in Rome last month and the department, along with trade and commerce and the fishing industry, was represented. It is considered to have been a successful meeting. Substantial progress was made in analysis of the demand for fish meal and similar products, in knowledge of the alternative uses of the raw material and in the organization of intelligence services for the trade. We are hopeful that these advances may introduce a degree of stability into the market for this commodity.

Returning to the general economic health of the fishery, I am happy to report that, aside from British Columbia, our fisheries enjoyed a generally satisfactory year in 1960. The lobster fishery of the Atlantic provinces was especially productive, with over 50 million pounds landed bringing $18 million to fishermen. Good catches and improved

prices to the producers of salted cod brought Newfoundland fishermen as a whole their highest level of income since the union of Newfoundland with Canada. Results in the inland fisheries were also generally satisfactory.

On the market side, one of the most promising features has been the renewed strength now evident in the markets for fresh and frozen fish both in Canada and the United ago has eased. Continued expansion is evident in consumer demand, particularly for cooked and prepared fish products. The wide and attractive display of these items now in evidence in chain stores is a reflection of the rapidly improving presentation of fishery products in sales outlets. As I have indicated, prices received by fishermen for salted fish were exceptionally good during 1960. This was largely the result of low European production in 1959. Production was slightly higher in 1960 and some uncertainty now surrounds the market, in Cuba particularly. An excessive year-end carryover in the 1961 season and a consequent depression of prices are a distinct possibility. A near normal production of canned salmon in 1961 should find a ready demand both at home and in foreign markets.

In the field of research, I referred last year to the good work of the research vessel *A. T. Cameron* in Atlantic waters. We are now proceeding with the construction of a similar 177-foot research vessel for offshore work in the Pacific. Construction of this vessel should be completed during 1962. In addition, we are extending the facilities of the fisheries research board at Nanaimo in British Columbia, at Ellerslie in Prince Edward Island and at St. Andrews, New Brunswick, and Halifax, Nova Scotia. All these new facilities will provide for more intensive work from these centres. Of particular interest in the field of exploratory fishing is the work being carried on off the Mackenzie delta in the western Arctic. Here substantial bodies of groundfish have been discovered which may have at least local commercial significance. In Hudson bay survey work off the Belcher islands has indicated that there are some Arctic char in waters hitherto considered barren.

Across the country important research projects are going forward as a basis for expansion and development of our fisheries. Some examples are the salmon behaviour studies in the open waters of the Pacific, further studies of lamprey destruction and trout rehabilitation in the great lakes, the important groundfish studies on the Atlantic banks as well as shellfish exploration and study on both coasts. Similarly, technological research is going forward in all areas designed to improve existing fisheries and to develop new ones. In oceanography we are continuing to co-operate with other departments and agencies but with special emphasis on those factors affecting the productivity of the ocean as far as fisheries are concerned. To apply the results of scientific research is the expanding activity of the department's industrial development service. I think this is something that is of particular importance because if new knowledge gained is not applied it has limited usefulness. This service is concerned primarily with the application of new developments to fish catching and to the processing of fishery products. The service has a wide range of projects under way in all provinces. It works very closely with provincial departments of fisheries and industrial development. Working arrangements have been established with practically all provincial governments. During 1960-61 this co-operative approach was extended to Ontario and the three prairie provinces. In British Columbia projects are going forward in co-operation with the fishing industry with particular emphasis on the possibilities of developing an offshore tuna fishery and further development of the shellfish industry.

I cannot take time now to list all these projects which range from the introduction, together with the province of Nova Scotia, of plastic vessel construction to studies and recommendations for improved road transport of refrigerated fishery products. Another most important feature of the work of this service is the training courses which have been arranged for fishermen in Newfoundland, the maritime provinces, Quebec and Ontario. These courses cover a range of subjects with particular emphasis on the use of new types of fishing gear. By that I mean types of gear that may not actually be new but are new to a particular area for a particular use.

The conservation and development service of the department takes responsibility for the operation of fish hatcheries and related work in the field of fish culture. It is responsible for the biological and engineering aspects of stream clearance. It includes our efforts to combat pollution and other industrial developments which interfere with the life and growth of fish in our lakes and streams. This service of the department is also responsible for administration of regulations necessary to limit and control commercial fishery operations. A major current activity has been the expansion and strengthening of our fleet of patrol vessels. Construction has already commenced on a large 179-foot patrol vessel for Newfoundland waters and additional smaller vessels are under construction for both maritime and British Columbia

waters. I might add that the name that has been decided on for the new patrol vessel for Newfoundland is *Cape Freels*. Its construction has been held up a bit as the shipyard where it is being built is now on strike.

One of the highlights of 1960 was the completion and inauguration of the Robertson creek spawning channel on Vancouver island. Construction of this large scale spawning area where gravel conditions and water flow can be kept under constant control is expected to make a real contribution particularly to the production of pink salmon in this area. During the current year we will be proceeding with a somewhat similar major construction program on the Big Qualicum river, also on Vancouver island. Here control of the water flow and improvement of the spawning channel will expand the populations of pink, chum, cohoe and spring salmon. Also in British Columbia we have opened an experimental hatchery on the Nanika river designed to rehabilitate the runs of sockeye in the southern branch of the Skeena river.

In Newfoundland we have continued the transfer of salmon from Great Rattling brook to Little Rattling brook. A new fishway has been installed on the Lomond river and a survey of lakes has been made to determine fish populations and to check on industrial developments which may affect the fishery.

The transfer of disease resistant oysters from Prince Edward Island to Nova Scotia and New Brunswick has been completed with reasonably satisfactory results. The department's program of oyster seed collection in Prince Edward Island continues to show good results and gives promise of a sound commercial venture. Those responsible for lobster protection are gratified that the policy of careful protection coupled with education among fishermen is paying off through increased weight of catches.

The department is co-operating with the new Department of Forestry in joint efforts to minimize the adverse effects of d.d.t. spraying of forests where that is necessary. The use of half-strength spray in 1960 gave very encouraging results.

In the Northwest Territories arrangements have been made to open up many of the small lakes to commercial fishing on a group basis from year to year. Because of the slow growth in these lakes, they cannot withstand continuous fishing but through a rotation system it is believed an economic operation will be possible.

Last year I emphasized the work being done by the inspection service in certifying fish plants under Canadian government specifications board. During the past year, an additional 10 plants met the standard and now 41 plants have been certified. It is now believed that at least 75 per cent of processed fish is being produced in accordance with this program. A number of additional plants are now making the necessary capital expenditures to meet the required specifications.

Market comments reaching the department indicate a very satisfactory level of quality both in the domestic and export markets but our goal is for still higher standards. It is obvious that if standards can be made even higher, the consumer acceptance of and desire for fish will become even greater as people recognize fish as an excellent source of food protein which is relatively economic to buy. Two new large mobile laboratories, one to service the Gaspe region and a second to be based at Winnipeg, have been acquired. As these mobile laboratories move throughout their respective areas "open house" educational programs are carried on. In addition, special courses have been put on in co-operation with provincial governments. In the current year we will be proceeding with construction of a new inspection laboratory at Halifax replacing and extending the present inadequate facilities in that area.

Courses are being arranged for fish cannery foremen in Prince Edward Island and New Brunswick and similar courses will be held in St. John's, Newfoundland and Halifax, Nova Scotia for the foremen of fish processing plants. We believe these training courses are particularly valuable and we welcome requests for them from the fish processing industry.

The department through its information service and its home economics section carries on a continuing campaign to create a greater awareness of the excellent dishes that can be made from fishery products. Every month consumer releases are forwarded to newspapers and magazines and radio and television stations. Much of the material sent out is being widely used by the Canadian daily and weekly press and other media.

Last year I referred to "The Canadian Fish Cookbook" issued by the department's information service. I am happy to report that this publication sold very well and that an additional 10,000 copies in English and 5,000 copies in French have now become available for further sales.

In the 1961-62 estimates provision is made for the production of posters and a filmstrip on Atlantic salmon. These will be used to carry the message of conservation to both anglers and commercial Atlantic salmon fishermen and the general public.

In Newfoundland the serious problem of inadequate bait supplies was relieved in 1960 by a sharp increase in the availability of squid. At the same time, improved facilities

have been made available to the Newfoundland bait service. I have referred on previous occasions to the bait holding units which have been introduced to supplement the original supply depots. We now have 20 of these additional units and further additional units are being provided. The estimates for this year make provision for eight additional units to be added in this fiscal year. Provision is also sought to cover plans and designs of a large refrigerated vessel to replace the M.V. *Arctica* which is now 42 years old.

The program of constructing community stages in Newfoundland is virtually completed. The twentieth one will be constructed in Labrador during this year. I might add that discussions are under way with the government of Newfoundland with the end in view of continuing this program—of course, at a slower speed but nevertheless continuing it—into the future.

Canada, as hon. members know, is signatory to seven international fisheries conventions. Three of them are in partnership with the United States. I refer to the international Pacific halibut fisheries convention, the international Pacific salmon fisheries convention and the great lakes fisheries convention. Several countries join with us in each of the others as well as the United States.

These international fisheries agreements are of significant importance to Canada, of course. They include continuing obligations, in Canada's fisheries interest, which have been assumed by the government. In all of these conventions provision has been made for the establishment of commissions composed of representatives from each of the signatory countries. The implementation of the conventions, in so far as Canada is concerned, comes under the authority and is the responsibility of the Minister of Fisheries. The government is directly represented on all the commissions by senior officials of the Department of Fisheries. All Canadian commissioners are appointed by order in council.

It was decided by the government and other governments that are parties to the conventions, particularly the more recent conventions, that the scientific investigations recommended by the commissions under coordinated programs and accepted by the governments were to be undertaken by the national agencies of the countries involved. This provision permits each country to retain its identity in the field of the investigations which it undertakes. There is no question that the scientific investigations conducted by the Department of Fisheries research agency, the fisheries research board, represent advances in scientific knowledge which would not have been gained otherwise.

[Mr. MacLean (Queens).]

The Canadian fishing industry is heavily dependent on the sea fisheries from which comes the bulk of the Canadian production. Because of the international character of some of the most important fisheries adjacent to our coasts it is imperative that the Canadian government have scientific knowledge on which to propose any necessary conservation measures. This knowledge must be supplied by its own research facilities.

I think it is well to bear in mind the fact that, for many years, Canada has played a leading role in the development of international co-operation in fisheries matters. It is true, of course, that Canada has a direct major interest in these conventions for its own purposes, but there is also the equally important fact that the government of Canada has taken the firm position that in all fields of international relations it is only by co-operation, understanding and mutual respect that problems can be resolved and solutions found for the benefit of all nations.

I hope that the general comments I have just made, Mr. Chairman, will serve the purpose of indicating the scope of the activities of the department. We will continue, of course, to work with other departments, with provincial governments and with all branches of the industry towards an expanding and prosperous fishing industry in the years ahead.

Mr. Robichaud: Before proceeding with the remarks I intend to make on this first item of the estimates of the Department of Fisheries, I wish to thank the minister for his comprehensive report giving us a review of the progress and the activities of his department for the fiscal year 1960-61 and the forecast of the main activities of his department for the coming fiscal year.

The minister has referred to the different services of his department which, as he said, have a part to play in the progress of the fishing industry. I agree entirely with the minister that these services are not called upon to catch and market the fish, but we expect assistance from them to improve the catching and marketing of fish. We expect them to be effective in their respective fields.

The minister has also referred to the depressed state of the fish meal industry. Unfortunately this has resulted in a certain decline in the revenue of fishermen. We are pleased to hear from the minister that with regard to certain species of fish, especially fresh and frozen fish, the situation is good at present and quite promising for the coming season.

Unfortunately the situation of the salt fish market is not quite as good and in view of the high stocks of salt fish on hand this spring the results could affect prices paid to

fishermen. I join with the minister in commending the work of the fisheries research board. In passing I wish to note that in many instances there seems to be a weakness in making known to fishermen the practical application of the findings of the research board. This is very important. It is well and good for the fisheries research board to carry on this research, but unless fishermen are in a position to apply the findings of this research it will not have too much effect.

It is generally known that the recorded world catch of fish has steadily increased in the last ten years as more and more nations have turned to the sea to find food for the world's expanding populations. In fact, the 1949 world catch of approximately 20 million tons had reached, ten years later in 1959, approximately 35 million tons, an increase of over 80 per cent.

During the last decade the catch of fish in Canada has failed to meet this increased trend which has been so prominent in such countries as Japan, China, the U.S.S.R., Norway and others, to mention only some of the countries apart from our neighbour, the United States of America, which are known as the major producers of fish and fishery products.

While the catch in the last ten years has increased by 80 per cent in those countries, here in Canada, with our vast coast line—perhaps one of the longest coast lines of any country in the world—our catch has increased by probably less than 5 per cent.

Statistics show that in 1960 the Canadian production reached in the neighbourhood of two billion pounds. This compares with a production of 1,900 million pounds in 1949 and 1,975 million pounds in 1950. As I said, this is an increase of less than 5 per cent in the last ten years, compared with a world increase of approximately 80 per cent.

While our total catch seems to remain at a constant level, let us find out what is going on, say in the Soviet union. I have here the last report of the fisheries association of British Columbia entitled "Facts on Fish". Part of the report is entitled "Soviet expansion in fisheries" and reads:

> With publication by the United Nations of the fisheries catches of leading nations in 1960, fisheries journals around the world have expressed concern about the amazing expansion of Soviet fisheries.
>
> Soviet scientists forecast that their 1958 catch of six billion pounds will arise to ten billion pounds by 1965—which can only be achieved by aggressive intrusion into every major fishery of the world.

I could add here, "and in our own Canadian fishery". The report continues:

> In 1956 the Soviet fleet had two trawlers doing "exploratory" fishing on the Grand Banks of Newfoundland. In 1960, a fleet of 110 Russian trawlers became one of the major producers in this area.
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> More alarming to British Columbia fishermen is the steady expansion of Russian fishing effort in the American side of the north Pacific. Boris Kulikov, a Russian observer at the north Pacific fisheries meeting in Vancouver last fall, quite bluntly stated: "The Soviet industry is interested in the development and exploitation of all marine resources in the north Pacific".
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> A large Russian trawler fleet last year took 300 million pounds of bottom fish out of the Bering sea. The same pattern of exploratory fishing vessels appeared south of the Aleutians, doing trial fishing in the great halibut banks so carefully conserved by Canada and the United States under the Pacific halibut treaty, and which has produced a 70 million pound annual catch for the two nations.
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> The Japanese abstain from fishing these grounds, under the terms of the international north Pacific fisheries treaty. Since Russia is not a member of this treaty, there is no legal obstacle to Russian trawlers exploiting these grounds without reference to conservation regulations.

No wonder the catch of fish is increasing by 80 per cent in other countries of the world while here in Canada the best we have been able to do is show an increase of 5 per cent in the last ten years. This is a most serious problem and it is one which must not be neglected by the government of our country.

Both our Atlantic and Pacific fisheries are seriously menaced by the operation of Russian fishing vessels and trawlers along both our coasts, and nothing seems to be done to avert the destructive effects of such operations.

If we take into account the landed value of all species of fish, including sea fishery as well as lake fishery, we find that the fish catch returned to fishermen about $96 million in 1950, $100 million in 1951; it was down to $90 million in 1955 and remained at approximately $100 million in 1959. Those total earnings, shared by approximately 60,000 to 75,000 full-time and part-time fishermen, have remained stagnant while during the same period the cost of living has practically doubled and the cost of fishing vessels and gear has increased by over 100 per cent.

If we take a look at the estimates of the Department of Fisheries we find that whereas there was a total expenditure of $7½ million in 1949-50, this reached $12½ million in 1955 and will be in the vicinity of $23 million in the coming fiscal year.

I have here a comparison of expenditures for the year ending March 31, 1957 with the estimates for the year ending March 31, 1962. I find some very revealing figures here. For example, for civil salaries and wages, 1957, $7 million; 1961-62, $11 million. This is $4 million more, or an increase of 60 per cent.

For travelling and removals, $735,000 in 1957, $971,000 in 1961-62, an increase of $236,000 or 30 per cent. Postages, $25,000 in 1957, $32,000 in 1961-62, an increase of $7,000 or 30 per cent. Telephones and telegrams,

$41,000 in 1957, $125,000 in 1961-62, an increase of $84,000 or 200 per cent.

Departmental reports cost $79,000 in 1957 and $119,000 in 1961-62 an increase of $40,000 or 50 per cent. Office stationery cost $95,000 in 1957 and $189,000 in 1961-62, an increase of $94,000 or 100 per cent. Materials and supplies cost $1 million in 1957 and $1,912,000 in 1961-62, an increase of $901,000 or 90 per cent.

The question which should be in the minds of every member of this committee is the following one: while the responsibilities of this department are increasing in every way and while additional money is being provided for extra staff in the various branches of the department, are our primary producers, our Canadian fishermen, deriving the benefit which they should receive from the program of the department and the effort made by the department to assist the industry? It is not my intention to cast any reflection on the hard work and devoted activities of the entire personnel of the department and of the fisheries research board, nor is it my intention to hold them responsible for the serious problems which face the fishermen and the industry under present world conditions. The fact remains that something must be done to bring the returns to fishermen in line with those from other occupations so as to provide them and their families with an adequate living.

In my own constituency of Gloucester the fishing industry provides a livelihood for a large proportion of our population which is connected directly or indirectly with this particular primary resource. The most important fishery in the Atlantic provinces—and this applies also to my own constituency—is based on the groundfish resources which are subdivided into offshore or deep-sea fishing and what is commonly known as inshore fishing. This groundfish operation comprises cod, haddock, hake, pollock and other varieties such as flatfish, halibut and so on, among them the codfish which is the most prolific species of groundfish in the region and which provides employment for the largest number of our fishermen, though other flatfish and haddock are also of major importance.

In answer to a question which I placed on the order paper and which was answered on February 23 I received the following information concerning prices paid to fishermen for selected species of fish for the years 1945 to 1960 inclusive, and I wish to place some of these figures on the record now. For example, in the year 1945 the fishermen of New Brunswick were paid an average of 3.52 cents a pound for cod while in Nova Scotia they received 3.51 cents, in Quebec, 4.06 cents and in Prince Edward Island, 3.71 cents. In 1955, ten years later, though the cost of living had risen, the fishermen of New Brunswick were receiving 2.56 cents per pound for cod against 3.36 cents in Nova Scotia, 2.42 cents in Quebec, 2.67 cents in Prince Edward Island and 2.19 cents in Newfoundland.

In 1957, two years later, while the cost of production and the cost of living was still increasing, the fishermen of New Brunswick were paid 2.44 cents per pound for cod against 3.10 cents in Nova Scotia, 2.12 in Quebec, 2.05 in Prince Edward Island and 2.17 in Newfoundland. Again, in 1960, according to the latest figures available from the dominion bureau of statistics, cod fishermen in New Brunswick were getting 2.87 cents against 3.45 cents in Nova Scotia, 2.67 cents in Quebec, 2.75 cents in Prince Edward Island and 2.63 cents in Newfoundland. During that same period the prices paid for haddock and flounders varied accordingly.

At the same time I sought to secure information on the retail prices of fish, and particularly of frozen fillets sold on the United States market for the last five or six years, and I propose to use the prices on the United States market because, as we all know, this market absorbs from 60 per cent to 70 per cent of our entire fish production. These figures were supplied to me through the Canadian embassy in Washington and they were secured from the United States department of government concerned. In the year 1955 cod fillets were retailing in the Boston area for 40 cents a pound. In 1958 the price was 46 cents; in 1959, 47 cents; in 1960, 47.7 cents. For the same period in 1955 the retail price of haddock fillets, according to a sample taken from 33 out of 36 United States cities, was 46.7 cents. In 1958, the price was 55 cents; in 1959, 58.4 cents and in 1960, 55.7 cents.

While our fishermen were being paid approximately 2½ cents a pound for fresh cod in 1955, about half a cent more being paid in Nova Scotia, the retail price of frozen fillets on the United States market was in the vicinity of 40 cents a pound. Five years later, in 1960, while our New Brunswick fishermen were still receiving less than three cents a pound for their fresh cod, approximately a third of a cent more than in 1955, the price of frozen cod fillets on the United States market had risen to more than 47 cents a pound, an increase of seven cents a pound compared with the price paid in 1955.

I admit there has been an increase in the cost of preparing these fish for market, together with an increase in the cost of packaging and transportation, but the fact remains that while our fishermen have received practically no increase in price in many cases or, at the most, an increase of one third of a cent a pound, the increase in

the retail price on the market has been in the vicinity of seven cents a pound so far as cod fillets are concerned.

If we look at the price of haddock, the bulk of which is produced in Nova Scotia, while the fishermen were paid approximately 3½ cents a pound in 1955, the average retail price for haddock fillets on the United States market was about 46½ cents a pound. Five years later, in 1960, while the price to fishermen averaged slightly less than 4½ cents a pound the retail price of fillets had gone to 55½ cents a pound, an increase of nine cents on the retail level.

One must take into consideration that it takes approximately three pounds of fresh fish to produce one pound of fillets. Nevertheless, the figures I have quoted show that while our fishermen are receiving almost the same price from year to year for their landed catch the price to the consumer has gradually increased by approximately seven to nine cents a pound.

It is true there may have been some slight increases in the prices paid for some varieties of fish but the most important factor remains —the cost of production for the primary producer, and the cost involved in the landing of his fish to the dealers so that they may process his catch for marketing.

I checked these figures with the dominion bureau of statistics, and I now have the figures covering landings of seven fishermen for three different years between 1950 and 1960. One fisherman in 1958 was receiving 2¾ cents per pound for large cod, three cents per pound for medium sized cod, and 1½ cents per pound for small cod. The same fisherman later on in the season, in the middle of August, was receiving 2¾ cents per pound for large cod, and in July, for a short period, 3¼ cents per pound for large cod.

Another fisherman in 1955 was receiving 3¼ cents for medium sized cod, and 1½ cents per pound for small cod. In July of that same year, the same fisherman was receiving three cents per pound for large cod, 2½ cents per pound for medium cod, and 1½ cents per pound for small cod. Late in August he was receiving three cents per pound for large cod, 2½ cents per pound for medium cod, and 1½ cents per pound for small cod. I could carry on, but I think the figures I have mentioned will show that prices paid to fishermen were, on the average, below three cents per pound.

In the late forties and early fifties fishermen in New Brunswick could obtain a 50-foot dragger at a total cost of $30,000 to $35,000. The same vessel today, with minor improvements or additions, would cost the fishermen between $70,000 and $75,000. It is true that the federal government has been, since 1946, providing special assistance in the construction of vessels of the dragger and long-liner type. When this program was initiated the subsidy was applied on the basis of $165 per gross ton. At the time when a 60-foot dragger could be built for $30,000, the federal subsidy covered approximately 22 per cent to 25 per cent of the total cost. At the present time, when the same fishing boat costs in the vicinity of $70,000, the federal subsidy, which remains on the $165 per gross ton basis, covers approximately 10 per cent to 12 per cent of the total cost.

If the fishermen had been paid accordingly for their product—that is in proportion to the increased cost of living and the increased cost of production—the present subsidy of $165 per ton could be accepted. The fact remains, however, that not only does the initial equipment cost the fishermen 100 per cent more than 10 or 15 years ago, but the cost of operation, including the replacement of gear, has also increased by 100 per cent.

As I stated earlier, our fishermen have to be satisfied, despite the increased cost of production, with approximately the same price for their landed products as they were receiving 10 or 15 years ago. The time has come for the government to take action and to reconsider its program of assistance in the construction of draggers and long-liners on the Atlantic coast. If the department intends to be logical in the application of this subsidy, the basis should be increased in proportion to the increased cost of construction, and to my mind should be in the vicinity of $300 per gross ton.

The impact of this program since 1946, I must admit, has been effective, although in recent years it has not met the objective for which it was introduced.

This morning I received the 1959 report prepared by the economic service of the Department of Fisheries regarding the operations of modern fishing craft on the Atlantic seaboard. I wish to quote one paragraph from page three of this report which reads as follows:

> Impact of the program: (i) on development and industrialization.
>
> Over the period that the modernization program has been in force, the owners of the 422 assisted fishing enterprises which engaged in fishing during the 1959 season were scattered among 171 communities. These enterprises employed 1,831 men in fishing and the landings were made in 110 ports.

Mr. Chairman, I suggest that if the government intends to limit its assistance to the level of recent years, and if this subsidy program has cost the government in the vicinity of $500,000 to $600,000 per year, I feel that the government, in consultation with the provinces interested, could arrive at some sort

of agreement under which it could limit its assistance to the same amount so that Newfoundland would be allowed its share, Nova Scotia so much, New Brunswick so much, Prince Edward Island so much and Quebec so much. The subsidy could be increased from $165 to $300 per gross ton without increasing by one penny the cost to the federal treasury while at the same time reaching the objective for which this program was introduced in 1946.

I well recall, during the campaign of 1957-58, when the Prime Minister, addressing large gatherings in certain fishing areas of the Atlantic provinces, offered fishermen a fixed minimum price for their fish. This statement was made in no uncertain terms, particularly in the town of Yarmouth on March 25, 1958. The Prime Minister insisted, on that occasion, on the need for fish price supports similar to those provided for farm products, and further stated that his government would relate prices to fishermens' costs of operations. No action has been taken in this field whatever.

In the present estimates there is an increase of $3,000 for the operation or administration of the Fisheries Prices Support Act. To my mind this $3,000 is probably included to pay the increases in salaries to the staff of the fisheries prices support board and for no other reason.

This board, which has been in operation since 1957, was instituted to support prices of fisheries products, and has the power to purchase any fisheries product at a prescribed price, or to make deficiency payments to producers of fisheries products equal to the difference between the prescribed price and the alleged price at which a certain product was sold during a specified period. It is the duty of that board to maintain a fair relationship between the returns from fisheries products, and those from products of other industries.

The accomplishments of this particular board in the last five or six years have been just about negligible. I realize that in the last 10 or 12 years the Canadian government has introduced a number of assistance programs for the fishing industry, particularly since the post-war period, and I wish to outline some of these programs to show what they cost the Canadian fishermen at the present time.

Mr. McGrath: Mr. Chairman, would the hon. member permit a question?

Mr. Robichaud: Certainly.

Mr. McGrath: Would the hon. member tell the committee what his party's policy is in regard to floor prices for fisheries products?

[Mr. Robichaud.]

Mr. Robichaud: The policy of the Liberal party regarding floor prices for fisheries products was made known in 1947 when the act was instituted, and has been used during certain periods since then to protect certain types of fisheries products. The fact is that in 1957-58 the Prime Minister exposed the policy of his party, which was that his government was prepared to submit a new prices support program for fisheries and, as I said before, we are still waiting for the application of this program.

Mr. Denis: Do not wait for nothing.

Mr. Robichaud: I intended to outline some of the measures which are included in the estimates of the Department of Fisheries. Such programs include assistance in the construction of draggers and long-liners on the Atlantic coast; the Newfoundland bait service operations; assistance in the construction of bait freezing facilities; certain minor assistance through the agency of the fisheries prices support board; assistance program to producers of dried salted fish; fishermen's indemnity fund providing fishing vessels insurance; a small bounty for the destruction of harbour and grey seals and for the destruction of certain predators. The list also provides some indirect assistance in educational work in producing and selling among fishermen. This appears to be quite a long list but the total cost of such assistance during any of the last fiscal years amounted to approximately $1,750,000 per year.

The Acting Chairman (Mr. McCleave): I am sorry to interrupt the hon. member but his time has expired.

Some hon. Members: Continue.

The Acting Chairman (Mr. McCleave): Is it the wish of the committee that the hon. member carry on?

Some hon. Members: Agreed.

Mr. Robichaud: Thank you, Mr. Chairman.

I wish to thank hon. members for allowing me to carry on. As I said, the total cost of such assistance during any of the last few fiscal years amounted to approximately $1,750,000 per year. This cannot be considered at all exhorbitant for an industry which provides a livelihood for 60,000 to 75,000 primary producers and employment for another 100,000 employees engaged in the preparation of fish for market.

I am not against certain emergency measures which have to be taken care of by the federal treasury such as the Emergency Gold Mining Assistance Act, for example, which will cost the treasury $11,800,000 during the coming fiscal year, and the subsidy

on the movement of coal amounting to $13,244,000; compensation for slaughtered animals amounting to $2,220,000, which is $750,000 more than all of the measures now in existence to assist the fishermen.

The time seems to have come for practical and definite action on the part of the Deparment of Fisheries for the benefit and the expansion of the industry. As was brought out at the fisheries council meeting held in Toronto a few weeks ago, prospects of the fishing industry in the immediate future are not too bright. When one realizes that the Canadian consumption of fish which had reached 13.7 pounds per capita in 1950 was down to 13.2 pounds in 1957, one must admit that something drastic should be done to increase the consumption of fish on the domestic market.

Mr. Macdonnell: Will the hon. member repeat the figures he just gave.

Mr. Robichaud: I said that in 1950 the consumption of fish in Canada amounted to 13.7 pounds per capita. In 1957, seven years later, it was down to 13.2 pounds per capita.

It is most unfortunate that such an important industry, an industry which is so vital to our general economy, and particularly to the economy of the Atlantic provinces, must depend on the export market for the sale of over 80 per cent of its production. It is understandable that an organization like the fisheries council, which has spent $184,000 since 1953 in trying to promote the consumption of fish, particularly in our domestic market, is now reluctant to further support and assist such a promotion program. The efforts of the fisheries council of the past seven years must not be wasted, and the federal government should come to the assistance of the council in no uncertain way to promote and develop the consumption of fish in our domestic market.

The activities of the department in this particular field, in co-operation with the Department of Trade and Commerce, should not be limited to domestic consumption but should be diverted, and in no uncertain way, to the advertising of our Canadian fisheries products abroad.

The department should pay particular attention to the present situation of our salt fish market, which is going through a very critical time. The present position of our salt fish stocks in the Atlantic provinces could seriously affect the returns of our fishermen at the opening of the present fishing season.

Another important factor which should concern the federal government and which is strongly recommended by the fisheries council is the recognition of the same rights of Canadian fishermen as those enjoyed by foreign fishermen operating in eastern Canadian waters. The bill which was introduced in the house on May 2 does take care of the situation to a certain extent, but I suggest also that consideration should be given to protecting not only the fishermen operating the larger trawlers but also the owners of small vessels operating in what is commonly known as inshore water. I have in mind definite regulations which might be applied, not just on paper as they are often applied at the present time, prohibiting the operation of certain trawlers in certain portions of waters which should be limited to inshore fishermen. The minister is vested with all the authority required to apply such a regulation by section 7 of the otter trawler fishing regulations established by order in council on May 6, 1951.

Such regulations, for example, have been made to apply to operations of certain sizes of trawlers or draggers of limited length in certain portions of the Baie de Chaleur. Unfortunately, these regulations are being enforced by the department as they should be and consequently a number of fishermen on certain sections of the Baie de Chaleur operating small fishing boats are being interfered with by larger draggers from New Brunswick and the Quebec side of the bay. I urge the minister to take proper steps to have his officials enforce the existing regulations and, if need be, amend them in order to protect the inshore fishermen of that particular area of the bay.

In introducing his estimates on June 29 of last year, the minister referred to limited advertising on the part of his department which had met with very good consumer response, and he referred again tonight to this advertising program. I realize that in this instance he was making particular reference to the "Canada inspected" or "Canada approved" program which began on April 1, 1959, and which has been expanding ever since. I know we are all pleased to hear that the number of plants that have qualified under this program has increased from 10 to 40 in the last fiscal year. There is no doubt that the consumers of first quality products, as well as the fishing industry, cannot help but benefit from the sale of a product which bears the inscription "Canada inspected", or "Processed under government supervision". The work of the department in this field of action must be activated and its inspection personnel must be given the opportunity to qualify themselves for this very complicated and delicate job.

This does not mean, however, that the department must limit itself to the limited advertising of fishery products. The consumer service of the department must be

expanded in such a way as to show results which will aim at increased fish consumption in our domestic market. There is ample room for improvement in this field of advertising and I urge the minister to take measures to improve and expand his department's participation in his general consumer advertising so that the consumption of fish may increase.

Mr. Broome: Will the hon. member permit a question. How does he reconcile his recommendation to increase expenditures with the criticism he made at the beginning of his speech when he criticized increases in expenditures?

Mr. Robichaud: At no time have I criticized increased expenditures by the department. I said that I welcomed increased expenditures provided results were achieved, provided there was an increase in catch and an increase in revenue for our fishermen, and provided we could show an increase in the marketing of our fish.

For the last two years, Mr. Chairman, we have had in my home town of Caraquet a fisheries school. A few weeks ago I attended the closing of a class of 30 fishermen and sons of fishermen who had completed their second year of a course in fisheries. The interest has been of such a wide magnitude that the facilities provided by the Caraquet school board are now inadequate and the need has been established for a new building which could provide the necessary classrooms and other facilities for the first school of its kind in the Atlantic provinces.

In fact, the government of the province of New Brunswick announced a few weeks ago its decision to proceed in co-operation with the federal government with the construction of this new school under the technical and vocational training assistance program. I wish to express at this time my full appreciation for the application of this vocational training program which, according to the Minister of Labour's own words, will include all training of all sorts and types below the university level.

I would express the hope that the new school when in operation will receive better co-operation from the Department of Fisheries than has been extended so far to the present school in its first two years of existence. The department has failed to give the present school the technical assistance which it was in a position to offer. It has reluctantly agreed, and this after all kinds of reservations and hesitation, to allow some members of its staff to take part in the kind of instruction which was required to provide the students with adequate information relating to the handling and preparation of fish.

[Mr. Robichaud.]

I will admit that such educational work does not come within the immediate duties of departmental officials. I will also admit that the department and particularly the fisheries research board have provided some services which have been appreciated by the director of the school, the teaching staff and students alike. But it would have been much more profitable to all concerned if less hesitation and better understanding had existed on the part of the department, thus showing its full willingness to co-operate in the success of a new venture which had as its immediate goal the success and development of our fishing industry.

I would urge the minister to consider the possibility of increasing in next year's estimates the item covering educational work in fisheries techniques and co-operative producing and selling among fishermen. The present school of fisheries at Caraquet and particularly the new school which should open its doors in 1962 or early 1963 will be directly concerned with educational work in fisheries' techniques. I note with interest that in this year's estimates this item shows an additional $25,000 grant to Memorial university in St. John's, Newfoundland. I welcome this grant which will contribute to the further development of fisheries' knowledge or research in an area where fishing is of such vital importance. I hope the minister will keep in mind similar assistance measures for the new fisheries school which will be established in Caraquet next year.

Mr. Howard: Mr. Chairman, in the three or four minutes at my disposal before the adjournment hour perhaps I should say first of all that we certainly appreciated the extent to which the minister went when introducing his estimates in outlining the activities of the department and of the various fisheries during the past year. I am sure the committee was also extremely interested in the remarks of the hon. member for Gloucester. What the minister and the hon. member for Gloucester have said will be of invaluable assistance to the committee in considering the various items in the estimates of the department. There may be disagreement on the interpretation of various statistics that have been introduced but nevertheless I am sure what they have said will be of great benefit to us.

Generally speaking, I find that the fishermen have a high degree of admiration for the activities of the Department of Fisheries. They may complain on occasion about specific phases of its operations but generally I think they have this feeling and in my view it is well justified. With regard to the minister's reference to increases respecting the fisheries

research board, these are most welcome, of course, because we feel that in the activities of the board we may find the solution to many of the problems confronting the various fisheries in Canada.

I should also like to pay my respects publicly to Dr. Kask and his staff of the research board for the outstanding work they have done with the somewhat limited resources at their disposal. Dr. Kask lived for a long period of time on the Queen Charlotte islands in the constituency I represent. He was well thought of and well liked while he was there and I am quite sure that those same feelings still exist and will continue to exist wherever he happens to be. I wonder whether I might call it ten thirty.

Resolutions adopted in committee of supply this day reported and concurred in.

BUSINESS OF THE HOUSE

Mr. Chevrier: May I ask the acting house leader what the business will be for tomorrow and Saturday, and perhaps he might give some indication of what it will be next week? I hesitate to stop the hon. gentleman from rising but may I say it has been the practice on Thursday to give some indication of the business for the following week.

Mr. Nowlan: I am very happy to rise following a question from the opposition on this matter. Tomorrow we will proceed with the estimates of the Department of Fisheries and following that we will deal with the estimates of the Department of Transport. On Monday and Tuesday we will be dealing with legislation. Frankly I am not in a position at the moment to detail the legislation with which we will be dealing. I had thought that my colleague, the house leader, would be back tonight and I was leaving that problem to him. I had a wire from him late today saying he would not be back until some time later. I will announce to the house tomorrow night, and notify the hon. gentleman earlier if I am in a position so to do, what the legislation will be on Monday and Tuesday and perhaps on Wednesday of next week.

Mr. Chevrier: In view of the wire my hon. friend has received, could he not send one to his colleague and ask him what the business will be for next week?

Mr. Nowlan: I think my colleague will have to depend on my judgment and that of my colleagues here rather than his own with respect to that matter.

At 10.30 p.m. the house adjourned, without question put, pursuant to special order.

Questions

ANSWERS TO QUESTIONS

The following answers, deposited with the Clerk of the house, are printed in the official report of debates pursuant to standing order 39:

R.C.A.F. BASE, ST. JEAN, QUE.—ALBERT VILANDRÉ

Question No. 212—**Mr. Dupuis:**

Does Albert Vilandre, who occupies building 124 at R.C.A.F. base St. Jean, where he deals in soft drinks, ice cream, cigarettes, etc., also carry on the trade of the following items: watches and jewellery of all kinds, washing machines, frigidaires, bicycles, record players, and furniture?

Answer by: **Hon. D. S. Harkness (Minister of National Defence):**

Mr. Albert Vilandre does not carry on trade in these items on station property.

SURPLUS MANPOWER AREAS—REFUSAL OF DESIGNATION

Question No. 214—**Mr. Argue:**

1. Have any municipalities requested classification as surplus manpower areas, and been refused designation as such?

2. If so: (a) what are the names of each? (b) on what date did each make application? (c) for what reasons was each refused, and on what date?

Answer by: **Hon. Michael Starr (Minister of Labour):**

1. Yes.

2. (a) St. Jerome, Quebec.

(b) Application from St. Jerome was dated March 16, 1961.

(c) In a letter dated May 4, 1961, the municipal authorities were informed that St. Jerome did not qualify as a surplus manpower area or locality because it did not meet the criteria announced by the Minister of Labour on March 2, 1961.

[The following items were passed in committee of supply]:

DEPARTMENT OF NORTHERN AFFAIRS AND NATIONAL RESOURCES

290. Canadian wildlife service—wildlife resources conservation and development, including administration of the Migratory Birds Convention Act, $823,390.

Water resources branch—

291. Administration, operation and maintenance, including Canada's share of the expenses of the international executive council, world power conference, and authority to make recoverable advances in amounts not exceeding in the aggregate the amount of the shares of the province of Manitoba and of the province of Ontario of the cost of regulating the levels of lake of the Woods and lac Seul and the amount of the shares of provincial and outside agencies of the cost of hydrometric surveys, $1,754,455.

292. Construction or acquisition of buildings, works, land and equipment and authority to make recoverable advances in amounts not exceeding in the aggregate the amount of the shares of provincial and outside agencies of the cost of hydrometric surveys, $201,950.

293. Studies and surveys of the Columbia river watershed in Canada, $47,310.

294. Fraser river—federal expenditures in connection with investigations to be carried out by the Fraser river board, $322,500.

295. Contributions to the provinces towards the construction of dams and other works to assist in the conservation and control of water resources in accordance with agreements entered into between Canada and the provinces, $1,950,000.

296. Nelson—Saskatchewan basin study—expenditures in connection with investigations to be carried out in accordance with terms and conditions approved by the governor in council, $204,000.

Northern administration branch—

297. Branch administration including authority to make recoverable advances for services performed on behalf of the governments of the Northwest Territories and the Yukon Territory, $1,133,935.

Education division—

298. Administration, operation and maintenance including authority to make recoverable advances in amounts not exceeding in the aggregate the amount of the share of the government of the Northwest Territories of expenditures on education and vocational training, $5,309,805.

299. Construction or acquisition of buildings, works, land and equipment including authority to make recoverable advances in amounts not exceeding in the aggregate the amount of the share of the government of the Northwest Territories of expenditures on education and vocational training, $2,112,200.

Welfare and industrial divisions—

300. Administration, operation and maintenance, $1,977,426.

301. Construction or acquisition of buildings, works, land and equipment, $555,050.

Yukon Territory—

302. Operation and maintenance including grants and contributions as detailed in the estimates, $1,518,775.

303. Construction or acquisition of buildings, works, land and equipment, $5,342,400.

Northwest Territories and other field services—

304. Operation and maintenance including grants and contributions as detailed in the estimates and authority to make recoverable advances for services performed on behalf of the government of the Northwest Territories, $6,332,049.

305. Construction or acquisition of buildings, works, land and equipment including costs arising out of the relocation of the town of Aklavik and payment of such compensation as the governor in council prescribes to persons affected by such relocation, $9,261,140.

National museum of Canada—

306. Administration, operation and maintenance, $855,972.

Canadian government travel bureau—

307. To assist in promoting the tourist business in Canada including a grant of $5,000 to the Canadian tourist association, $3,019,963.

Northern administration branch—

483. To increase to $250,000 the amount that may be charged at any time to the Eskimo loan fund, established by vote 546, Appropriation Act no. 3, 1953; additional amount required, $100,000.

484. To authorize loans in the current and subsequent fiscal years in accordance with terms and conditions prescribed by the governor in council, not exceeding in the aggregate $145,300, to the government of the Yukon Territory to enable that government to purchase land at a cost of $17,800 and to loan to the city of Whitehorse an amount of $127,500 to enable the city to build roads and construct water and sewer systems in a new subdivision, $145,300.

485. To authorize loans in the current and subsequent fiscal years in accordance with terms and conditions prescribed by the governor in council, not exceeding in the aggregate $75,000, to the government of the Yukon Territory for the development of low rental accommodation, and to authorize the commissioner in council to make ordinances for the borrowing and lending of such money by the commissioner of the Yukon Territory or by a housing authority established by an ordinance of the commissioner in council on behalf of the territory and for the repayment thereof out of the Yukon consolidated revenue fund, $75,000.

Northern Canada power commission—

486. Advances to the northern Canada power commission for the purpose of capital expenditures in accordance with subsection (1) of section 15 of the Northern Canada Power Commission Act, $242,000.

487. Advances in accordance with agreements entered into pursuant to the Atlantic Provinces Power Development Act, $6,367,000.

HOUSE OF COMMONS

Friday, May 12, 1961

The house met at 11 a.m.

TRADE

TEXTILES—ANNOUNCEMENT OF TRIPARTITE MEETING IN LONDON

Hon. Donald M. Fleming (Minister of Finance): Hon. members are no doubt aware that on May 2 President Kennedy of the United States made an announcement drawing attention to his view that a long term solution on an international basis was required to deal with the problem arising from international trade in textiles.

A tripartite meeting at the official level has been arranged to be held in London next week on this subject. Canadian representatives will participate there in informal discussions with representatives of the governments of the United Kingdom and the United States to discuss these textile problems. It is expected that officials from the crown colony of Hong Kong will also participate in these discussions.

Canada has consistently supported previous attempts to find a comprehensive international solution to these problems; always, of course, without prejudice to Canada's freedom of action, under our trade agreements, to take measures to avoid injury to particular Canadian industries during the period when a broad international settlement is being negotiated.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, we on this side certainly welcome this action on an international basis if it will lead to expansion rather than restriction in trade in this important commodity.

INDUSTRY

SHIP OPERATING AND SHIPBUILDING—STATEMENT OF GOVERNMENT POLICY

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, hon. members are aware of the serious problems which during the last 15 years have faced the ship operating and shipbuilding industries in Canada in maintaining activity and employment in both fields.

This matter has been receiving the active consideration of the present administration since it took office, and I wish to announce that a policy has been determined which will be of major benefit both to our Canadian ship operators and to our Canadian shipyards. This policy is intended to make it possible for Canadian ship operators to obtain new vessels from Canadian shipyards at reasonable and competitive prices instead of being forced to have them built abroad because of the lower construction costs that prevail in other countries. It is also intended to make it possible for the Canadian fishing industry to obtain the necessary degree of assistance to encourage it to modernize its fleet by the construction of new vessels in Canadian shipyards on a basis which will still keep the costs to the Canadian fishing industry at a competitive level and halt the trend of construction of vessels for the Canadian fleet in other countries.

Finally, the policy is intended to deal with the situation which has emerged recently in the great lakes trade as a result of the arrangements which have made it possible for foreign vessels of commonwealth registry to participate in the domestic trade within this area.

To achieve the first objectives, namely assistance to our domestic operators and our fishing industry in obtaining new vessels from Canadian yards, parliament will be asked to provide, by way of departmental estimates, funds to assist in the construction of vessels for operation under Canadian registry whether in our domestic trades, in the fishing industry, or for use on the deep seas. A special capital subsidy of 35 per cent of approved costs of construction will be paid toward the construction in Canada of Canadian registry vessels, other than fishing vessels, whether for domestic or deep sea work, effective immediately. Moreover, to provide the maximum degree of incentive over approximately the next three years, this 35 per cent rate of assistance will be increased to 40 per cent for any work done between the present date and March 31, 1963. After that date the rate will be set at 35 per cent.

With regard to the fishing industry, a capital subsidy of 50 per cent of approved costs incurred from the date of this announcement will be paid toward the cost of the construction in Canada of steel fishing trawlers in any case where the new trawler will replace one old vessel which will be withdrawn from service. In addition, the present special assistance of up to 165 per gross ton payable toward the cost of construction in Canada

of wooden fishing vessels over 45 feet in length will be increased to $250 per gross ton.

The foregoing assistance will be effective immediately, applicable to vessels now under construction and to vessels on which construction may be started hereafter. In the case of vessels now under construction, however, it is intended that the assistance will apply only to work which may actually be carried out from this day onward and not to construction work performed before this day.

The methods of determining approved costs for this purpose and other particulars relating to administration of this plan will be prescribed by regulations to be approved by the governor in council. These regulations will, of course, deal with the question of limiting the proportion of non-Canadian content to be included in costs for the purpose of the subsidies. These regulations have not yet been approved by the governor in council, but they will be tabled in the house as soon as they are in final approved form.

The government has also given considerable attention to another problem which relates to the great lakes area, and which has arisen since the royal commission on coasting trade made its report. Under the commonwealth merchant shipping agreement, a vessel of commonwealth registry may engage in the domestic coasting trade of Canada, and Canadian registered vessels enjoy reciprocal privileges in other countries. This agreement was made many years ago and long before the construction of the St. Lawrence seaway. Prior to the construction of the seaway, deep sea vessels, other than those of very small size, did not have direct access to the great lakes, and in those waters which are basically inland waters the domestic coastal trade was more or less effectively reserved to Canadian registered vessels.

Within the last couple of years, in a number of cases old United States lake vessels which under the authority of the Canada Shipping Act would have been refused Canadian registry, have been purchased by certain operators who have applied for and obtained non-Canadian commonwealth registry with a view to putting those vessels in Canadian domestic service. In addition, other Canadian operators have moved in the direction of transfer of some of their existing great lakes vessels of Canadian registry to non-Canadian commonwealth registry.

Investigation has indicated that apparently under United Kingdom law applications for United Kingdom or colonial registry in cases of this sort have to be granted unless there is something technically wrong with the vessel itself, and there is no method under existing British law by which this condition of affairs can be dealt with. Because the government believes in effect the domestic Canadian trade within the great lakes area was not in any sense contemplated as part of the reciprocal privileges when the commonwealth merchant shipping agreement originally came into force, and that this trade should be effectively reserved to Canadian registered vessels, accordingly the government has decided to initiate steps for modification of the commonwealth agreement to exclude this area.

For this purpose we will be approaching the other parties to this agreement to notify them of our decision to exclude from the provisions of this agreement the great lakes area, which will be defined as commencing at the outermost pilotage station in the St. Lawrence river in the vicinity of Les Escoumains. The effective date of this change, of course, can only be determined after notification to and consultation with the other commonwealth countries concerned and will, I expect, also involve amendment to the Canada Shipping Act.

This new policy will be of great benefit to Canadian ship operators and Canadian seamen as well as Canadian shipyards, and their employees and suppliers. It will help our domestic operators, whether these be inland, coastal or deep sea operators, and whether their craft be cargo vessels, passenger vessels, tankers or schooners on the St. Lawrence, or other powered craft of reasonable size.

It is virtually impossible to forecast accurately what this program will amount to in terms of expenditure and employment, since the initiative in making it successful must now rest with our ship operators themselves. However, at a very rough estimate I would expect this should cover more than 10,000 man years of additional employment in each year for the next few years in our shipyards, and probably an equal number in supporting and supplying industries, to say nothing of increased opportunities that may result for seafaring personnel.

Hon. Lionel Chevrier (Laurier): Mr. Speaker, the statement made by the Minister of Transport is perhaps one of the most important to be made in the house in a long time. I am sure that not only the house will welcome the statement he has made but also, in an especial manner, those who are connected with the operation of ships and the building of ships and those who sail ships on the inland waters of Canada. The statement has both national and international implications, particularly because of the last part with which the minister has dealt. However, it is not my intention to inject into my statement a partisan note, other than to

say that we on this side of the house have asked for the policy of the government—

Some hon. Members: Oh, oh.

Mr. Speaker: Order. There is no necessity to interrupt the hon. member.

Mr. Chevrier: —on many occasions, and I am extremely happy that the minister has finally acceded to our request and the requests of the shipbuilding and ship operating industries.

As I understand the statement which the minister has made, I think it can be divided into three parts. First, it has to do with the assistance that will be given to domestic operators. Second, it has to do with the assistance that will be given to the fishing industry which, incidentally, was dealt with by the hon. member for Gloucester last evening when he asked the government to come to the assistance of that industry. Finally, the statement has to do with the great lakes area. To deal with the last part more particularly, that is the one which will require not only amendments to the Canada Shipping Act but also amendments to the commonwealth merchant shipping agreement because, as the house knows, British and commonwealth ships have the right to cabotage in those areas.

If I understand the minister right, it is the intention now to draw a line at Les Escoumains and to prohibit cabotage by ships of British or commonwealth registry in the area upstream from Les Escoumains to the head of the lakes. That is a matter which, as I say, has international implications as well as domestic ones; and without making any further general comment on it may I say that I think we on this side of the house would like to give it careful and intensive study.

So far as the assistance referred to in the earlier part of the minister's statement is concerned, I think everybody will welcome that, and I do not hesitate to commend the government and the minister for the decision which has been taken in that respect.

My suggestion, for what it is worth, is this. Many months ago the minister made a statement in the house that amendments of this kind would be announced. Because they were not announced, and because of the delay with reference to the announcement of that policy, my hon. friend knows that one prominent operator in Canada assigned his flag to Bermuda registry. I am wondering if the government will not give consideration to making the assistance which has been announced retroactive to the time the minister made his first announcement in the house.

With respect to the general picture, Mr. Speaker, all I need do in conclusion is to repeat that this is important and comprehensive legislation to which we will give consideration. I take it that the minister will lose no time in introducing it in the house.

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, the shipbuilding industry will undoubtedly be interested in the statement which has just been made by the minister. On behalf of this group I can only express regret that it has taken governments 15 years to recognize the need of granting assistance to the shipbuilding industry of this country. It is certainly to be hoped the situation has not deteriorated to a position where it will take too long to rebuild it as a major Canadian industry.

In view of the outstanding record established by the Canadian shipbuilding industry both in peace and war it is perhaps surprising that this industry should have been allowed to deteriorate to the position it now occupies, in which so many of our shipyards are either closed or operating on short time. However, at long last a statement has been made, and as I say it will no doubt be of interest to the industry. It is impossible to say at this time how far the policy statement will go. Before commenting on that we will have to wait until we have more details, which I hope will be given at the time of the discussion of the departmental estimates or at the time of the introduction of amendments to existing legislation.

The statement of the minister covered three phases, all of importance. One of particular importance today is that relating to the fishing industry. I could not gather from the minister's statement how beneficial an effect this will have on the fishing industry, because I gather that there is a severe limitation on the type of fishing vessel that will be covered under the subsidy. Be that as it may, we express regret at the delay and the deterioration. We will make a careful study of the details when they are available. At that time I hope we will be able to commend at least in part the statement of policy announced by the minister, and we certainly hope it goes as far as he anticipates. It is my personal hope that it goes a lot further.

[*Later:*]

On the orders of the day:

Mr. Hubert Badanai (Fort William): Mr. Speaker, I should like to address a question to the Minister of Transport arising out of the announcement he made to the effect that assistance will be provided to Canadian shipbuilding industries. Can the minister indicate whether the government will exercise its influence in allocating the work to shipyards where a surplus of manpower is available.

Inquiries of the Ministry

Hon. Leon Balcer (Minister of Transport): Of course the government wants to help both shipyards and shipping operators by providing these subsidies. However, I do not think we should interfere in the process of an operator choosing which shipyard is going to handle his work. I do not think it is the role of the government to do that in these circumstances. If it were a government allocation of contracts, of course we would do that; but not in this case.

[*Later:*]

Hon. Lionel Chevrier (Laurier): I should like to address a question to the Minister of Transport arising out of his announcement made a while ago. Over and above the amendment to the Canada Shipping Act, will the assistance which the minister has announced be brought into the house by way of a bill or other legislation to amend the vessel construction assistance act.

Hon. Leon Balcer (Minister of Transport): As I mentioned in my statement, this can be brought into force by an item in the estimates.

Mr. Chevrier: The whole program will be implemented in that fashion?

Mr. Balcer: Yes, Mr. Speaker. However, there will be an amendment to the Canada Shipping Act in relation to the commonwealth coastal agreement.

Hon. L. B. Pearson (Leader of the Opposition): May I ask the minister whether the amendment to the commonwealth shipping agreement which will be required was discussed with the government of the United Kingdom before the government of Canada decided on this policy?

Mr. Balcer: Mr. Speaker, we are going to follow precisely the procedure that exists at the present time in regard to these agreements. We are going to notify the various commonwealth countries along the lines of article 25 of this agreement, and I think, after a period of three months, we will be in a position to enforce our proposals.

Mr. Pearson: Mr. Speaker, may I ask the minister whether his reply means that legislation cannot be introduced until the amendment has been made to the commonwealth agreement?

Mr. Balcer: The amendments I have mentioned are very minor amendments in the shipping act, but will not affect the principles of the plan. I think the plan can be put into action and enforced without these amendments having previously been passed.

[Mr. Badanai.]

EXTERNAL AFFAIRS

CUBA—REPORTED STATEMENT IN GENEVA BY EXTERNAL AFFAIRS MINISTER

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I wonder if the Prime Minister would care to comment on a report that the Secretary of State for External Affairs said in Geneva that he was prepared to help mediate the dispute between the United States and Cuba, and on a report from Washington that any such offer from Canada would not be acceptable.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I do not think it is necessary to make any comment. The hon. gentleman asked a question and then answered it in his own way, and I see no necessity for any further comment on the question.

CUBA—INQUIRY AS TO SAFETY OF CANADIAN MISSIONARIES

On the orders of the day:

Mr. Nicholas Mandziuk (Marquette): Mr. Speaker, I wish to direct a question to the Prime Minister. Has the Prime Minister any report to make on the safety of priests and nuns on missionary duty in Cuba?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, this matter is a subject of continuing discussion by the Canadian embassy in Havana as well as with the Cuban ambassador in Ottawa. I think it may be concluded that everything possible is being done to ensure the welfare and safety of the persons mentioned, and indeed all Canadians.

VISIT OF PRESIDENT OF ICELAND TO CANADA

On the orders of the day:

Mr. Harris Rogers (Red Deer): Mr. Speaker, I should like to direct a question to the Minister of Northern Affairs and National Resources. In view of the proposed visit of the president of Iceland to Canada this summer and his intention to visit the hamlet of Markerville and the national historic monument to the outstanding Icelandic and Canadian poet, Stephen G. Stephansson, would the minister undertake to:

(a) do everything possible to make this a memorable event and;

(b) have a suitable marker placed at the junction of the old and new highways west of Innisfail to direct visitors and tourists to this specific Canadian historical site?

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, I am pleased to learn that the president of

Iceland will include a visit to the historic site at Markerville during his forthcoming visit to Canada. I can assure the hon. member that we will have officials inspect the site to make certain it is in the best possible condition. As for the highway marker, this is a matter that comes under the provincial highway authorities. I shall be happy to communicate with them on this matter. In view of the international aspects of the visit I shall also contact my colleague the Secretary of State for External Affairs.

TRADE

INQUIRY AS TO CONFERENCE OF COMMONWEALTH ECONOMIC OFFICIALS

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I should like to direct a question to the Minister of Finance. Since the common market will affect Canada in so many important ways and since there is such great interest in Britain's attitude to the common market, I wonder whether there is anything the minister might tell the house about the forthcoming conference of commonwealth economic officials, and whether there is any change in Canada's attitude to the common market.

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, the Canadian government continues to take the very proper attitude that it has taken throughout in reference to this subject.

The meeting of senior officials which will be held shortly is the annual meeting at which all questions of interest to commonwealth countries in relation to economic and trade questions are discussed.

INDIAN AFFAIRS

SARNIA, ONT.—REPORTED INTENTION TO SURRENDER CROWN RIGHTS

On the orders of the day:

Mr. Walter Pitman (Peterborough): Mr. Speaker, I should like to direct a question to the Minister of Citizenship and Immigration or the minister's parliamentary secretary. Would the parliamentary secretary confirm the report of Chief Telford Adams that the Indian affairs department is preparing an order in council under which the crown would have no further rights on Sarnia Indian reserve lands?

Mr. John Charlton (Parliamentary Secretary to the Minister of Citizenship and Immigration): Mr. Speaker, I will take the question as notice and get the reply.

AGRICULTURE

SUFFIELD, ALTA.—REQUEST FOR RELEASE OF CROWN GRAZING LANDS

On the orders of the day:

Mr. E. W. Brunsden (Medicine Hat): Mr. Speaker, may I address a question to the Minister of National Defence. Is the minister prepared to make to the house, and through it to the farmer-ranchers of southeastern Alberta, a statement with respect to the release, in this year of subnormal moisture in my area, of part of the grazing land with access to stock water now occupied by the defence research station at Suffield? Also, is the minister prepared to assure those interested in this proposed release of crown grazing lands, with their availability to water, that it will be on the basis of full protection to the smaller farmer-ranchers on a strictly community pasture basis?

Hon. D. S. Harkness (Minister of National Defence): Mr. Speaker, in view of the shortage of grass and water in southeastern Alberta this year the defence research board did make a study of the work being carried on at the Suffield station with a view to making available this year some land for grazing purposes.

As a result we have decided to make available approximately 150,000 acres adjacent to the South Saskatchewan river. We have also decided that the most equitable way to do this would be to put the operation into the hands of the community pasture organization under P.F.R.A. Discussions are going on at the present time between officials of that branch and officials of the defence research board to arrange details as to how the operation will be carried on.

HOUSE OF COMMONS

REQUEST FOR SEATING PLANS FOR STUDENTS IN GALLERY

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): I wonder whether I could address a question to Your Honour. In view of the fact that many student groups are visiting this chamber at the present time and will be doing so during the coming weeks, I wonder whether Your Honour would give consideration to seeing that seating plans are provided and made available for students who visit this chamber.

Mr. Speaker: The hon. member's suggestion will be noted. It is not acceptable as a question.

Inquiries of the Ministry

(Translation):

USE OF RAILWAY COMMITTEE ROOM FOR ENTERTAINMENT PURPOSES

On the orders of the day:

Mr. Azellus Denis (St. Denis): Mr. Speaker, I should like to put a question to the Secretary of State.

My wife has been invited to a fashion show to be held in the railway committee room and sponsored by the wives of Conservative members, among them Mrs. W. M. Hamilton and Mrs. Noel Dorion.

Could the minister tell us whether this social event is part of the program set forth by the Associate Minister of National Defence (Mr. Sevigny), to the effect that bread, games, balls and fashion shows are what the Conservative party needs to promote its popularity?

Mr. L. J. Pigeon (Joliette-L'Assomption-Montcalm): That is a silly question.

(Text):

Mr. Speaker: Order. I think the hon. member is perhaps getting outside the jurisdiction of any minister of the crown or any member of this house.

IMMIGRATION

REPORTED DECREASE IN NUMBER OF BRITISH IMMIGRANTS

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I wonder whether I could ask the parliamentary secretary to the Minister of Citizenship and Immigration whether the hon. gentleman has any explanation to offer for the fact that British immigration has now fallen to third place in this country?

Mr. John Charlton (Parliamentary Secretary to the Minister of Citizenship and Immigration): Mr. Speaker, this is a statement by the hon. member for Bonavista-Twillingate. I do not know whether or not it is correct. I shall find out.

Mr. Pickersgill: A supplementary question, Mr. Speaker. Has the hon. gentleman seen the statement issued by the department on the subject?

HOUSING

C.M.H.C.—RECRUITMENT OF PERSONNEL IN U.K.

On the orders of the day:

Hon. D. J. Walker (Minister of Public Works): Mr. Speaker, on May 10 the hon. member for Vancouver East referred to an advertisement which appeared in journals in London, England, recruiting personnel for Central Mortgage and Housing Corporation. The advertisement asked for applications by town planners to serve in the corporation.

Before seeking applicants outside of Canada the corporation endeavoured, in vain, to obtain them within Canada, first through the national employment service, second through advertising in the professional journals, and finally through the newspapers in the larger cities. They have had a requisition on file with the national employment service since 1959 in an effort to get these town planners. The response, however, was very limited.

We finally obtained permission from the national employment service to recruit in the United Kingdom and Europe a limited number of town planners who are qualified for the difficult services involved.

Mr. J. R. Garland (Nipissing): Mr. Speaker, I wonder whether I might ask a supplementary question. Is it customary or necessary to pay the passage, as was indicated in this advertisement, of these people and their families when they are being brought to Canada for professional jobs with good incomes?

Mr. Walker: I shall be glad to accept that question as notice. I thought the hon. member for Nipissing was going to ask me about the latest housing starts and figures, and applications for loans.

Mr. Garland: I thank the minister for replying in his usual superior tone. However, since he is taking the question as notice I wonder if he will also tell us how many Canadian officials have travelled, or will travel to Europe to interview these applicants.

NATIONAL REVENUE

INQUIRY AS TO SEIZURE OF PENGUIN PUBLICATIONS

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I should like to ask the Minister of National Revenue in his role as keeper of the ramparts of purity what the purpose was of the seizure of several books published by Penguin Books, including the "Physiology of Sex" by Kenneth Johnson and "Lady Chatterley's Lover" by D. H. Lawrence.

Hon. George C. Nowlan (Minister of National Revenue): I do not think I can accept the compliment—I presume it was one—of being the keeper of the ramparts of purity in this country, but I will make inquiries with respect to the particular matter to which the hon. member referred. As the house knows, from time to time books are held for inspection. Very rarely do they get to my desk. When my officials have found, after due inspection, that it appears necessary to refuse

them admission, they finally come to my attention; and I am looking forward, after hearing the hon. member, to receiving a shipment which I can inspect.

PUBLIC SERVICE

PART TIME POSTAL EMPLOYEES—REQUIREMENT TO PASS EXAMINATIONS

On the orders of the day:

Mr. Azellus Denis (St. Denis): May I address a question to the Postmaster General. Is it true that thousands of part time employees presently employed in the Post Office Department will have for the first time to pass an examination in order to keep their positions? If the answer is in the affirmative, would the Postmaster General care to comment on this new policy?

Hon. W. M. Hamilton (Postmaster General): Within the last year we have increased the salaries of our part time post office workers from $1.26 to $1.72 an hour, thus bringing them to a scale parallel with that of our regular postal clerks. In the light of this we shall expect these people to meet somewhat less stringent but approximately the same requirements that apply to our regular postal clerks, and the only way to determine this is to examine them on their knowledge. The average postal clerk is required to know between 2,000 and 5,000 distribution points in order to maintain the efficiency of the service. A part time worker will begin with a requirement of knowing some 300 distribution points and after several months he will be expected to know about 1,000. I think that is reasonable.

These people are being paid far better than ever before in our history. Also, in accordance with our expectation, which has been borne out by the civil service, we expect top notch performance from them.

Mr. Denis: Does this new policy apply to the so-called flying squad or call girls who have been hired by the present administration and who perform the same type of work as that performed by part time employees?

Mr. Hamilton (Notre Dame de Grace): The hon. member is much more expert on the subject of call girls than I am, Mr. Speaker—

Some hon. Members: Oh, oh.

Mr. Hamilton (Notre Dame de Grace): As far as I am concerned, dealing with postal employees, the increased salaries and the regulations will apply to those part timers who are working on the sorting of mail.

Mr. Denis: Do I understand that this new policy is part of the program being adopted in order to replace men by machines, because I am sure that not one half of these thousands of part time employees who have been working in the post office for years would be able to pass an examination, though they do their jobs perfectly well. They would have to learn about 2,000 names.

Mr. Speaker: Order. The hon. member should reserve his speeches until the estimates; possibly he has already made them on the estimates.

Mr. Hamilton (Notre Dame de Grace): Dealing very briefly with the first sentence, which was a question, may I say that this forms part of the government's program to treat its employees well and to operate the service efficiently.

GRAIN

INQUIRY AS TO INCREASE IN DELIVERY QUOTAS

On the orders of the day:

Mr. Hazen Argue (Assiniboia): I wish to direct a question to the Minister of Agriculture. Since the end of the crop year is just some two and a half months away and the majority of marketing points in Saskatchewan and Manitoba are on a 3 bushel quota or less, can the minister say what the prospect is of reaching a 7 bushel quota by the end of July?

Hon. Alvin Hamilton (Minister of Agriculture): I think the western farmer is aware that never before have such efforts been made to move grain out of Canada as have been made in the last few months. I might mention in passing that as part of this program we have stepped up the capacity of the west coast ports to handle this traffic. In the month of April we shipped 19 million bushels out of there, and this month we expect to ship 20 million bushels. I am leaving this week end to see whether I cannot get another couple of million bushels.

From the great lakes, shipping is moving out at a pace away above last year. At the present time nearly a thousand cars of grain a day are moving into Fort William and Port Arthur, and between 300 and 400 cars daily are moving in the west coast ports.

In answer to the question asked by the hon. member, I should just like to say that on May 8 the official quotas in western Canada were as follows: 213 points were on a 2 bushel quota, 742 were on a 3 bushel quota, 394 were on a 4 bushel quota and 645 on a 5 bushel quota.

Now let me give the hon. gentleman the figures for three days later, May 11. On May 11 the number of points on a 2 bushel quota had dropped from 213 to 58. The number on a 3 bushel quota had increased from 742

to 841. The number on a 4 bushel quota had gone up from 394 to 419 and the number on a 5 bushel quota had dropped from 645 to 443. The 6 bushel quota points now number 233, having risen from zero. This dramatic shift in the quota figures is proof that the efforts being made to ship this grain out of the country are succeeding. I wish to thank the farmers of western Canada for being so understanding and co-operative on quotas.

Mr. Speaker: Order. I do not like to interrupt, but it seems to me the minister's answer has been broad and comprehensive.

Mr. Argue: After that long propaganda speech by the Minister of Agriculture, I wonder if I might repeat my question, because the minister failed to answer it. My question was whether he could hold out the prospect, as he has done heretofore, that producers in Manitoba and Saskatchewan, in particular, where quotas are discriminatory, will have the opportunity of delivering a 7 bushel quota at the end of July.

Mr. Hamilton (Qu'Appelle): These extreme expressions such as "discriminatory quotas" are being answered every day at the present time in connection with the quotas. I suggest to the hon. member that if he is patient and watches the quotas change in the months of May, June and July he will not be disappointed and have to use such expressions at all.

INDUSTRY

AUTOMOBILES—INQUIRY AS TO REPORT OF ROYAL COMMISSION

On the orders of the day:

Mr. Hubert Badanai (Fort William): Mr. Speaker, I should like to ask the Prime Minister whether he would indicate when the report of the royal commission appointed to make a study of the automobile industry will be tabled in the house.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, that report will be tabled in due course.

HIGHWAYS

RIDING MOUNTAIN NATIONAL PARK—PROPOSED CROSS MOUNTAIN ROUTE

On the orders of the day:

Mr. Nicholas Mandziuk (Marquette): Mr. Speaker, I should like to address a question to the Minister of Northern Affairs and National Resources. Has the minister received, and is he giving consideration to, a resolution from the village of Rossburn and the rural municipality of Rossburn, and a petition by the village of Shoal Lake regarding a proposal for the construction of a cross mountain route through the Riding Mountain national park?

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, I have not received the petition or the resolution referred to by the hon. member. I might say that I have been made aware of this suggestion largely through immediate representation by the hon. member for Marquette. From time to time representations have been made by other communities suggesting various routes, but before any action could be taken an extension of the roads in the park would be required as well as the desire on the part of the provincial government to extend its provincial road system to the park boundaries.

HEALTH AND WELFARE

INQUIRY AS TO DISTRIBUTION OF SPEECH BY MINISTER

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to ask the Minister of National Health and Welfare whether his speech which was given in York-Humber of which we received copies, was distributed through his own office and by employees of the Department of National Health and Welfare.

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, quite frankly I cannot answer that question.

Mr. Fisher: Mr. Speaker, I wonder whether the minister would be prepared, in view of the contents of the speech, to obtain the answer to that question and present it to the house later.

Mr. Monteith (Perth): Mr. Speaker, I shall look into the matter.

SUPPLY

The house in committee of supply, Mr. Flynn in the chair.

DEPARTMENT OF FISHERIES

131. Departmental administration, $473,500.

Mr. Howard: Mr. Chairman, last evening the hon. member for Gloucester presented some information which was contained in a publication of the British Columbia fisheries association in regard to fishing, as to the volume of fish caught by the Soviet union and the size of its fleet in two parts of the world.

I have now a reference to the effect that the Soviet fishing fleet has operated in the north Pacific. Canada, along with Japan and the United States, is a signatory to the international north Pacific salmon fisheries commission, a tripartite arrangement dealing with

conservation matters in an attempt to ensure that the salmon intermingling ground, which I hope is in the Japanese area and off the coast of Canada and the United States, is protected so that immature fish are not caught.

I believe about two years ago the Soviet union fishing fleet was seen in that particular area, although its primary concern at that time, as indicated by the Department of Fisheries, was directed toward the catching of groundfish rather than salmon. At that time members of the C.C.F. group expressed concern that the Soviet fishing fleet, not being a signatory to the north Pacific salmon fisheries commission, could very easily become involved in fishing for salmon in this intermingling area, and thus participate in the destruction or depletion of salmon stocks from Canadian grounds. Also raised at that time was the possibility that China may subsequently develop a fishing fleet which could also fish in these particular waters. The desire was expressed that the Soviet union initially, and China later on, should be approached in an attempt to have them become part of the north Pacific salmon fisheries commission as signatories, in an attempt to ensure that our salmon stocks are not depleted by fishing in the intermingling areas.

There are some problems involved here which hinge upon the attitude of the United States and Canada, which follows the United States in so far as the field of diplomacy is concerned. We all know that the United States has been adamant in its refusal to recognize, either diplomatically or in any other way, the people of the republic of China; and Canada, refusing to be independent in this regard, has followed suit. I think we can all see the difficulty that could arise if eventually China did develop a fishing fleet which would fish in the particular waters to which I refer, and we subsequently desired or felt that China should become a part of the north Pacific salmon fisheries commission. We can easily see that the silly attitude of the United States, followed by Canada, could pretty well prevent any sort of discussion which would lead to China and the Soviet union becoming a part of this particular commission.

In view of the fact that Russia does have a large fishing fleet and that just a few years ago, namely in 1956, she had only two or three ships out in the Atlantic and now has somewhere in the neighbourhood of 100, if I recall the figures quoted by the hon. member for Gloucester, it is most important that this matter should be taken into consideration. Two or three years ago there was a fleet of some 40 boats of the Soviet union in the Bering strait fishing area looking for groundfish or halibut. If Russia and China should develop a fishing industry, I think it is most important that they be approached with a view to becoming part of the north Pacific salmon fisheries commission in order to ensure that all classes of fish, both on the Soviet side and on the Canada-United States side, be protected and conserved to the fullest possible extent.

I wish to touch on a question in the discussion of which some people may say I am being rather critical of and unfair to certain parts of the country. I do not discuss this matter in the sense of being unfair but in order to deal with it in another way. It seems to me there is far more concentration of assistance—subsidies, grants and financial aid—to the fishing industry of the maritimes than there is to that of the west coast. For instance, I could refer to the Newfoundland bait service as a case in point. Activities under the Fisheries Prices Support Act have been primarily confined by practice to the Atlantic coast even though there is no geographical limitation to its operation. The bait freezing storage facilities also are confined pretty well to the Atlantic coast. The announcement made today by the Minister of Transport on a subject which has been discussed under fisheries estimates on a number of occasions, having to do with increased grants toward the cost of building certain types of fishing vessels such as draggers, long-liners and so on, relates to an activity that is confined to the Atlantic coast.

In introducing his estimates last night the minister said that courses for foremen in fish canneries would be conducted in the Atlantic provinces. After listening to and reading his remarks I take it that this is an activity in which the Department of Fisheries is going to participate in some way, although the minister's remarks were not clear as to just in what way; but again this is something which is confined to the Atlantic coast. The announcement of the Minister of Transport this morning of assistance to the shipbuilding industry in so far as fishing vessels are concerned indicated—from what I could grasp of it, and I stand to be corrected, because often when a long detailed statement of that nature is made one can get an incorrect impression—that the assistance in so far as fishing vessels are concerned will be confined to steel ships where those steel ships replace older or antiquated fishing vessels. And, as I mentioned earlier, the increase in the subsidy for long-liners and draggers will be confined primarily to the east coast also. I submit that this recent announcement will be of relatively little help or importance to the fishing industry on the west coast.

The point I wish to make, Mr. Chairman, and this is not by way of complaint or suggesting that the assistance should be decreased, is that this does point up the fact that perhaps the fishing industry on the east coast is in a generally worse economic condition than the fishing industry on the west coast. I do not think we can continue to attempt to deal with this problem merely from the point of view of the subsidies, grants and assistance that have been given under the various items of legislation I have mentioned, although certainly at the moment it appears that this is a necessary thing to do in order to ensure that the fishing industry on the east coast is maintained at the highest possible level.

If we say that we are going to approach this economic difficulty by means of subsidies, grants and other assistance, then the problem will never be overcome. I think there should be a far more intense examination of the conditions of the fishing industry on the east coast to see whether some other approach cannot be made to the problem so that the fishing industry in that part of the country will become more economic, more profitable and thus be enabled to function more on its own than on government grants, subsidies and aid.

We discussed this problem to some extent on an earlier occasion. One of the ways in which the problem can be met is by the development of co-operatives. Here I am getting into another field, of course, which involves provincial governments to some extent. I mention it only in passing. The basic point is that I do not think we can continue to look at the fishing industry, or any other industry for that matter, purely from the point of view of government grants, government aid, government subsidies, government hand-outs and the like. We must take a rather different and more concerted approach to this question to see whether the industry itself can become economic to the point where it does not have to rely upon assistance of this type.

Last year the herring industry on the west coast collapsed largely because of the glut of meal and oil in the world market, and I think primarily because of the impact of the increased Peruvian production. At that time it was advocated that perhaps we should take steps to regear the herring industry to one which produced herring for food rather than for fish meal and oil. It was also advocated that we seek as well to sell on the international market cured or fresh frozen or canned herring. China was mentioned as one of the countries to which sales of this commodity might be made.

[Mr. Howard.]

Without mentioning their names or their political stripe I can remember some people saying that this was absolutely foolish because all China was interested in buying with her scarce dollars were guns and ammunition; they were not interested in herring or food of any sort. Yet just a few days ago, as well as on another prior occasion, the Minister of Agriculture was able to announce in the house and elsewhere the sale of Canadian grain to China because of the food shortage and other factors existing in that country. If there is immense overproduction of fish meal and oil on the world market, surely to heaven we should be seeking other ways and means to develop our herring industry, and I simply use that industry as one example because it was in extreme difficulties last year. Surely we should try to develop it to the point where we produce herring for food and attempt to expand the sale of that commodity to China, just as we have done in the case of grain. Regardless of the meeting which was held in Rome, I believe, not too long ago, if we continue to push herring production into meal and oil every other country does the same thing, we are not really solving the food problem or any other problem but are simply aggravating the situation. We are merely taking steps to lessen the difficulty as much as we can without really solving the problem.

I should like to deal with one specific point about which I have had a fair amount of correspondence over the last few years, and with which I am sure the department is familiar. It has to do with what are known as reef nets and their use in the Juan de Fuca strait area. Perhaps the best way to place this matter before the committee is to refer briefly to a letter I received some time ago from Chief Edwin Underwood, chief of the East Saanich Indian band, in which he sets out the problem involved because of the prohibition of the use of reef nets. The letter reads in part as follows:

> The reef net was in use on this coast long before white men came here. Its use is an hereditary right and usage has never been surrendered by the Indians in any treaty or agreement. It should always be emphasized that reef nets are not fish traps.
>
> Prior to 1916 the white man's fish traps as well as reef nets were in common use in the waters of Juan de Fuca strait and of the gulf of Georgia in both Canadian and United States territory. In 1916 the United States, by legislation, banned fish traps in the San Juan islands group but allowed reef nets to be used as reef nets were recognized as not being traps. Reef nets are in common use today on the United States side of the boundary by white men even more than by Indians.
>
> At the same time the Canadian government banned fish traps in Canadian waters. Reef nets were apparently classed as traps, which they are not, and were also banned.

Without getting involved in the technical argument whether a reef net causes damage so far as conservation is concerned, or whether it is in fact the same as a fish trap within the meaning of our legislation, this is the point I want to get at and it is related to the rights of our Indian people. Reef nets were used prior to 1916 and were then banned by Canada as being the same as a fish trap. However, they are being used by United States fishermen in substantially the same area. If they are destructive so far as fishing interests are concerned, then in some way or other they should also be banned by the United States in that same area. But if they are not destructive, and it has been represented to me that they are not, the use of reef nets should be allowed in that particular area, especially by the native Indian people.

I understand that this matter has been discussed with the United States authorities, and perhaps the minister will indicate at a later stage what the department's position is with respect to reef nets and what arrangements, if any, they are seeking to work out with the United States with respect to their use in this area.

I should like to make another comment that also has to do with the Indians. For many years Indians on the west coast, in any event, have always had the right to fish for food for their own consumption at any time and at any place. I think the native Indian people have been misled in this regard, because I have seen letters dated as late as last year and signed by the Minister of Fisheries or the Minister of Citizenship and Immigration which have stated specifically that this was a right of the Indian people, that it could not be touched and that was that.

When I visited the Queen Charlotte islands last fall I heard some complaints about this matter involving the placing of restrictions on fishing for pink salmon for food. The native people were complaining and were wondering what right the department had to interfere with their hereditary right to fish for food. I went to see the fisheries officer and discovered that the department has the right to do this sort of thing. I found that the native Indians do not have an hereditary right, and that in fact the right to fish is granted to them under sufferance.

The British Columbia fisheries regulations made under the Fisheries Act provide in regulation 32, which I do not intend to read, that an Indian can catch fish for food with the permission of the chief supervisor, and that this permission can be limited as to times, places, waters and types of fish, or such fishing can be prohibited entirely. I only raise this point in order to say that for a long period of time the native people of British Columbia have been misled into thinking they had some inalienable and untouchable right which in fact they do not have, and I think in future some attempt should be made to point out this fact to the Indians.

There is one other activity in the field of fisheries in British Columbia about which there has been some controversy in recent months and years. This matter finally culminated at least partially in a report by Dr. Sol Sinclair of Manitoba. I should like to say generally that it seems to me that the engagement of someone outside the government service, especially outside the Department of Fisheries, to conduct a survey of this nature is somewhat of an affront to the officials of the department who, as I know them, are extremely able men and very much dedicated to their work. Not only with respect to the report of Dr. Sinclair but also other similar types of reports I have often wondered why it is necessary to by-pass and to some extent slight the officials of a department who are dedicated solely to the particular field in which they work. It seems to me that in the Department of Fisheries there are people who are astute and capable enough to have made such a study, and to have arrived at recommendations or suggestions somewhat similar to those of Dr. Sinclair.

While I am on the subject of Dr. Sinclair's report on licence limitation, I should like to ask the minister to give the committee when he replies on the first item, or at a subsequent stage of his estimates, an indication of the attitude of the government with respect to the various far-reaching and important recommendations made by Dr. Sinclair. I know that the report has been in the minister's hands for only a short period of time, but I think he should be able to bring us up to date as to what the government intends to do with respect to Dr. Sinclair's recommendations. I hope, Mr. Chairman, that the same course of action with regard to this report is not taken as was taken with regard to the report of the royal commission on food prices, which recommended a federal fish marketing act. The minister said a few days ago that this recommendation would be by-passed for a period of time.

I should also like the minister to give an explanation to the committee concerning the artificial spawning grounds. I believe two or three years ago there were some experiments in this field which were primarily directed toward the pink salmon, on the understanding that these experiments would be extended to other species found on the coast. I wonder if the minister could bring us up to date on the progress being made in connection with artificial spawning grounds for all species.

In addition, some studies were being made into the efficacy of aureomycin used as a fish preservative. I should appreciate some comments from the minister as to what has been discovered in this particular field, whether or not aureomycin has been found to be an efficacious fish preservative, keeping in mind the physiological effects of aureomycin on the consumer. While it may well be that aureomycin or some other antibiotic will be found to be a good preservative of fish, we must take into account the effect it is going to have on the consumer.

In find I am within a minute or two of my 30 minute allotment, Mr. Chairman, so perhaps I could conclude at this point. I am quite sure there will be ample opportunity during the consideration of these estimates for other specific matters to be discussed.

Mr. McQuillan: Since I am following the hon. member for Skeena, I might say that between us we represent the major part of the coastline of British Columbia. We are, consequently, aware of most of the problems connected with the fisheries. While we do not always agree on the solutions to these problems, we are both very much concerned with them and are endeavouring to do our best to find solutions.

The Comox-Alberni constituency is probably one of the major fish producing areas of Canada. The major portion of the salmon and shellfish catches is made along the shores of Comox-Alberni. One of the major problems of the fisheries in Comox-Alberni, which probably does not exist to the same extent in the riding to the north, is the ever increasing pressure of sports fishing on the salmon population and its effect on conservation.

Some people are misled about this sports fishing catch. They seem to think something is being taken away from the commercial fishermen and is, therefore, a loss to the economy. This is not the case by any means. About 40 per cent of the total salt water sports catch is made in the waters off Comox-Alberni. Sports fishing is responsible for a tremendous revenue in connection with the tourist business. So when it comes to the question of the greatest return from the trolled salmon catch in this area, the weighted evidence is in favour of the sport catch. It is safe to say that an average of $20 is expended for gear, boats, boat rentals, etc., for every fish caught by a local sportsman. My seatmate, the hon. member for New Westminster, says I am much too conservative. He says that every time he catches a fish it costs him $250. I do not know what he spends all that money on.

It is safe, however, to say that the figure for expenditures by foreign tourists for transportation, accommodation, gear purchases, boat rentals and so on would be in the neighbourhood of $100 per fish. Sports fishing, therefore, is responsible for a large part of the income derived from tourists on Vancouver island. It is for this reason it is so important that everything possible be done to preserve and enlarge the runs of spring salmon and cohoe, particularly in the sports fishing areas.

In this connection, the department is to be congratulated upon the construction of its Robertson creek controlled spawning ground, which has proven eminently successful, and for embarking upon the construction of the project on the Big Qualicum river. These projects will not only assist materially in maintaining salmon runs, but it is hoped they will substantially increase them. I would ask the minister to have his officials make a careful appraisal of the salmon runs in the Campbell River area with a view to the development of controlled spawning projects in that area, as well as the general improvement of natural spawning grounds. The Campbell River area is famous the world over as a sports fishing area, and has been for over half a century. The revenue from tourists who come to Campbell River is tremendous. Local organizations such as the chamber of commerce and a new one recently formed called Salmon Unlimited, are rightfully concerned over what appears to them to be a depletion in the runs in that area.

Along the east coast of the island we have another river which has presented a problem for a number of years. I refer to the Puntledge river. I have raised this question in the house before. The present condition of this river, from a fish conservation point of view, is the result of a power development by the British Columbia power commission in 1955 and 1956. The waters off the mouth of the Puntledge and Courtenay rivers have always been famous sports fishing areas. This is one of the areas in which the famous tyee or king salmon is found. In 1957 the spring salmon run was virtually destroyed on its way to the spawning grounds. I expect the effects of this will be noticeable this year, and again there will be a lack of tyees in 1962. The department has made an effort to ensure an adequate spawn and successful seaward escapement of smolts, but this has been an expensive and, I think, a short term answer. The fisheries research branch and its officers have made an exhaustive survey and developed a plan they hope will solve the problem. I understand that several years ago the department requested the power commission to make certain installations for fish

protection. Admittedly they are expensive; I understand the cost is in the neighbourhood of $750,000, but the expenditure is minor when related to the tourist revenue of the Comox-Courtenay area.

I know it is the financial responsibility of the power commission to make the proposed installations, but I think it is also the responsibility of the federal Department of Fisheries to see that immediate action is taken. Over a year ago the B.C. power commission referred the matter to the B.C. energy board, which as yet has not rendered a decision. What authority that body has to decide on a federal matter—and this is purely a federal matter—is beyond my comprehension. I think it is time the minister insisted that the power commission get on with the job of making the necessary improvements to this river in order that the salmon runs may be protected.

I should like to make a few comments on what is now the well known, at least in British Columbia, Sinclair report. This report was prepared by Dr. Sol Sinclair at the request of the department, and a great deal of work was involved in it. I understand that Dr. Sinclair is rated as one of the foremost economists in agriculture. In his report, as I read it, he does not give proper consideration to economics in his discussion of sport salmon fishing. As I have previously pointed out, a salmon caught by a tourist leaves far more money in a community than one caught by a commercial fisherman. This is particularly so in the case of foreign visitors to British Columbia. Let us not delude ourselves; that is the primary reason for most of the visitors coming to this area. If our tourist industry is to survive we must continue to encourage United States visitors. They have plenty of scenery in their own country, but the one thing that will bring them to Vancouver island is the opportunity to catch a fish, or more fish than they can catch in their own waters.

Dr. Sinclair made a recommendation concerning the licensing of sports fishermen for purposes of control and conservation. I cannot support licensing in the sense of a licence which has a fee attached to it. However, if licensing is necessary for conservation purposes, licences should be issued in a manner similar to our forest service camp fire permits, where no fee is attached.

Dr. Sinclair has built up a very strong case for the limitation of the number of commercial fishing licences. However, I believe that some of the statistical material he used does not in fact give a true picture of the situation. I am always a little suspicious of statistics, because I have helped to fill out many statistical reports in my life time, and I must admit that I was not always too careful about giving accurate information.

As an example of what I have said, let us take the figures given at the gross and net income of a troll fisherman. These are found on page 246 of Dr. Sinclair's report. It appears obvious that anyone who has taken out a commercial licence—I believe they cost $1 at present—and sold a fish is included in the statistics used in arriving at those figures, because they show a very, very low income for the average commercial troller. Approximately 54 per cent of them are shown as selling less than $500 worth of salmon in a season.

Everyone familiar with the fishing industry of British Columbia knows that commercial licences are obtained for a number of reasons. A large number are obtained by people who are classed as moonlighters. We have had a number of labour disputes in my province in the last few years, and I know that when there is a strike in the woods, the next day you will find most of the loggers out having a good time fishing. They have taken out commercial licences and are classed as commercial fishermen.

Another group are the white collar workers and others who are fond of fishing and who hope to recoup some of the cost of their recreation by the sale of their catch. Then there are pleasure boat owners who use their fishing licences as a basis for claiming sales tax exemption on parts and material used in the maintenance of their boats as well as in the purchase of gear. Another group are the wives and dependents of fishermen, who use this as a means of avoiding income tax. Therefore to arrive at a conclusion from statistics showing the average sale of the commercial troller is hardly well founded. The categories I have mentioned represent perhaps one third of the licensed troll fishermen, and I am sure they account for the pitifully low earning figure Dr. Sinclair has arrived at in his calculations.

The recommendation he made for an increase in the cost of commercial licences and for a minimum $40 boat licensing fee may have some merit, provided special consideration is given to the native Indian fisherman. The native Indian fisherman is hardly in a position to afford a high fee and if this recommendation is ever implemented I do not think native Indian fishermen should be subjected to this kind of licence fee.

However, Dr. Sinclair's conclusion that the elimination of the itinerant fisherman will necessarily result in an increased catch by those who fish as a full-time occupation is not sound, because a very large proportion of this latter group fish in areas in which sportsmen and itinerant fishermen do not

fish. For instance, I believe the major part of the troll catch of salmon is caught off the west coast of Vancouver island in an area where there is very, very occasional sports fishing. I further believe that the suggestion of licence limitation by direct government control should be dismissed as impracticable under any government other than a totalitarian one.

Mr. Granger: Mr. Chairman, each year when the Minister of Fisheries brings his estimates before the committee it is a time of great interest to us who are from a province which for many, many years—ever since its discovery, in fact—depended either wholly or in part upon the fisheries. Last night I listened with great interest to the minister as he reported to the committee. I also listened with great interest to the observations of the hon. member for Gloucester, and I should like to associate myself with them.

I should like to begin by saying that any suggestions which I make involving the spending of money by the government are to be regarded as asking the government to invest rather than to give. As far as possible, the suggestions I shall make lie along the lines of investment. I do not think it is either right or wise to ask for government support simply for the sake of getting money to spend. I do believe, however, that the government should look with favour upon the spending of money which is an investment and which will result in the government getting back its bread, so to speak, with butter on it.

With respect to the encouragement of the fisheries on the Atlantic coast—or perhaps I had better address myself specifically to the fisheries in Labrador and Newfoundland—I am satisfied that the expenditure of money in certain directions would constitute an investment which would be profitable not only to the fishermen themselves, particularly on the Atlantic seaboard, but to the Canadian economy as a whole. I think there has been a tendency, perhaps an understandable one, to overlook the value of ancient industries. Fishing is one industry which we have had with us for as long as there has been a Canada. As time went by and Canada developed from the first colony of Great Britain into the great nation she is today, as central Canada became industrialized and prosperous and as western Canada began to supply food of another kind for world consumption, decreasing attention was given to what was a great industry and what still is a basic industry. It was the first industry which produced food in the new world and, in my opinion, it could become an even greater industry than it has been in the past. The population of Newfoundland is increasing, and the population of Canada is increasing, so it is important that the old industries be revitalized and extended just as the new industries should be encouraged and extended.

With this in mind I should like to make certain suggestions applicable to the fishermen and the fishing industry in my riding; suggestions which will, I hope, receive the attention of the minister and, beyond that, sympathetic scrutiny leading eventually to the investment of funds in this industry to the greater profit of my fishermen and of the Canadian people.

Briefly, the fishing industry can be broken up into three sections, production, processing and marketing. With respect to marketing, most of the problems under this heading properly concern the Department of Trade and Commerce. I have already spoken on that subject. However, there are some aspects, particularly in connection with the processing of fish, which are the business of the Department of Fisheries, and I shall have something to say about that later.

The production of fish begins, of course, with the fishermen and depends to a large extent on whether the fishermen have the necessary gear, the necessary facilities and the necessary supplies. There are some exceptions to this rule. Last year, for instance, fish did not appear at all in certain areas but, generally speaking, the equipment which a fisherman possesses has a great deal to do with whether or not he himself can make a living. This factor is, of course, all-important. The fisherman must make a living at his vocation; if he cannot, he is not able to remain in it without receiving aid which, perhaps, is not justified.

Making aid available to help the fisherman produce is a different thing entirely, and I think government assistance should begin right there with the fisherman; assistance designed to help him produce more. Much has been done in the past along these lines, but I do think there have been some basic aspects of this question which have been overlooked.

To begin with, I might mention the matter of the fisherman's ability to purchase his equipment and supplies. It happens from time to time that a fisherman finds that his gear is worn out, his engine is old, and his boat needs to be replaced. He discovers he has not made enough money or has not been able to set aside sufficient funds over the years to make the necessary replacements. If he is to replace his boat at all he has therefore to borrow the money, to obtain credit somewhere. This is not always easy, particularly in Labrador where it is a fact that better boats and equipment would definitely mean higher production per man. So we come to the

matter of small loans for fishermen, and despite what has been done so far there is not in existence, in my opinion, any scheme by which fishermen can borrow relatively small amounts of money for the purchase of boats, engines and equipment.

In the first place, in the remote settlements and in the smaller outports where fishing is carried on as a main industry today there are not the banking facilities available, and it is difficult for fishermen to take advantage of any loan scheme which may now exist. I ask the minister to consider seriously the possibility of having a loan scheme worked out whereby fishermen who need small loans so they may improve their property and increase their production may be assisted by some scheme which would make this money more easily available. In this respect I do not believe the fisherman has the same advantage the farmer enjoys, and I maintain that the Canadian fisherman must be placed on a par with the Canadian farmer. Both are producers. Both are necessary to our economy. The fisherman of the Atlantic coast should be given an opportunity to find the necessary money in order to equip themselves to continue in business.

In his announcement earlier today concerning assistance to shipbuilding, we heard the Minister of Transport say that the present special assistance of up to $165 per gross ton in connection with the construction in Canada of fishing vessels over 45 feet in length would be increased to $250 per gross ton. While that is $50 short of what my friend the hon. member for Gloucester requested last evening, we must be pleased that it is a step in the right direction, toward implementing a policy of assistance in the building of ships. I would point out that this assistance is primarily directed to the shipbuilding industry. I say that without in any way wishing to detract from what has been said in this regard this morning. This proposed measure will provide support and assistance to the Canadian shipbuilding industry by helping fishermen buy boats in Canada, although they could perhaps buy cheaper ones outside Canada. However, I repeat that this is a step in the right direction, but suggest that more than this is needed.

This assistance applies to vessels over 45 feet in length. Many of the boats operating along the coast of my riding are much smaller than that. These boats operate in the inshore fishing industry comparatively close to shore. I understand that for economic reasons it is not practical to operate a larger boat in this field. Many fishermen will not be able to take advantage of this assistance because the majority, at least in my area, use boats smaller than the 45-foot minimum, and the introduction of the use of larger boats for this type of work is not feasible.

Just as the invention of traps increased fishery production during at least part of the year, the introduction of long liners in the appropriate field will do the same, but the inshore fishermen must still use small boats. To help the small operator, who must use a small boat to effectively do his work, assistance must be given toward the building of small boats as well as larger ones. The field in which these small boats operate represents a basic part of the fisheries industry, and I should ask the minister to sympathetically consider that situation.

The subject of small marine works should possibly be discussed when we are considering in detail the estimates of the Minister of Public Works. However, I think it is proper that I mention at this time that small marine works are nearly always used in the small fishing communities in the carrying out of their trade. Small wharves for fishing boats represent an essential part of the fishing trade in small communities, and there exists a need for an enlargement of the program of building these works. On this subject I should state that the community stage program, by and large, was a success. I was pleased to hear the minister say that it is intended that this program be continued, but sorry to hear that it is going to be continued on a diminished scale.

I should like to comment briefly in regard to this program. The building of community stages has provided very essential facilities for fishermen in a number of communities in Newfoundland. In addition to providing the property from which fishermen can fish this has had the tendency to bring fishermen together in groups and encouraging co-operative action on the part of the fishermen. Provision of these stages has also been of great economic benefit, because it is not easy any more for fishermen to acquire the necessary materials to build the old type fishing stages. The introduction of the new type community stage has provided the essential property for the use of fishermen.

Actually I should like to have heard that the program of building community stages was going to be continued at its former rate by the federal government, and I am sorry that this program has stopped following the provision of 20 such stages. I feel the government should have instituted a program to build perhaps 10 stages per year, carried on until all those areas which require them had been provided with the necessary stages. I feel that stages costing over $25,000 should be considered the responsibility of the federal government, and I suggest this would in no way have interfered with the ability of

the federal and provincial governments to make joint arrangements for the building of stages.

I repeat that it is my earnest opinion that the program of building community stages, which the federal government has now completed with the building of the twentieth stage, should be continued. It is a pity that the many communities which so badly need these stages will temporarily have to do without them, and I seriously ask the minister to give further consideration to the continuance of this program in Newfoundland and Labrador in addition to the program he informed us last night had been worked out with the provincial governments.

Mr. Chairman, I should like to make some further remarks a little later, regarding the type of stage needed, but intend to refer now to the other basic requirement of fishermen. Fishermen must have bait.

Perhaps I could call it one o'clock.

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

Mr. Granger: Mr. Chairman, when the committee took recess at one o'clock I was endeavouring to establish the need for help to the fishermen so they could be independent and so that their production would increase. As a matter of fact, my arguments were based on the need for fishermen to be able to make a living. I pointed out that if the fisherman could not make a living at his job he could not continue at it without getting the kind of assistance which perhaps was not justified, or words to that effect. I hasten to say that by that I did not mean that fishermen should not get social assistance where needed, but I did mean that they should get the kind of aid that would make them independent in their vocation so that they would be able to maintain themselves, and not need other help.

In outlining some of the things which I thought could be done I was discussing, I think, when the committee rose, the question of bait supplies. Each year a shortage of bait cuts down the earning power of the fishermen. It is a perennial problem and I am very glad to see that this matter of bait supplies is one to which the federal Department of Fisheries has been giving attention. The bait holding units which are being installed have had a good effect. I request, of course, that this program be continued and that more of those bait holding units be supplied to the fishing settlements in Newfoundland and in particular the fishing settlements in my riding of Grand Falls-White Bay-Labrador. I request that the minister continue to give earnest attention to the matter of bait supplies for fishermen.

Again I request that the matter of manufacturing artificial bait be given very active consideration. I will not go into details, as I have done so already in this house, save to say that if the same attention were given to developing artificial bait for codfish as has been given to the development of artificial bait for sport fishermen the problem would have been solved long ago.

With respect to salt supplies, nearly every year there is a shortage of salt in various areas. This is perhaps not so much the responsibility of the federal government as it is of the fish trade itself and the fish merchants themselves. Although in these remarks I am trying to point out what I think are the duties of the federal government, I would not want to leave the impression that I think the whole fishery business should be run by the federal government. I think of the industry itself, the commercial interests which exploit the fisheries. They have their duties also. I would ask the federal government to keep on eye on the matter of salt supplies as well as bait supplies and give what assistance they can.

With respect to the processing of fish, there seems to be an overproduction, if anything, or perhaps an out of balance production of heavy salted fish, and this fish is sold in a highly competitive market. At the same time a good market exists for light salted fish. I do not believe we are producing enough light salted fish to fill the requirements of this market. In the old days light salted fish was produced chiefly by hand labour. Of course, it is unthinkable to consider going back to the old ways of making fish when those who made the fish were paid very little for their work. Today, heavy salted fish is chiefly made in mechanical driers. My plea is for a drier which will produce light salted fish.

My understanding is that one of the reasons why light salted fish cannot be made artificially is that it can be kept only a comparatively short time before going bad. In other words, when a fisherman light salts his fish he has to get rid of it fairly quickly in order for it to be made or else it will spoil. That being so, it would seem to indicate that cool rooms built in connection with community stages might be the answer. A community stage would be a unit consisting of a cool room, a bait holding unit and, of course, the stage itself. I said before lunch that I wanted to come back to the matter of community stages and one of the

points I had in mind was that a community stage program with the necessary cool rooms and bait holding units is necessary if we are to exploit the light salted fish business properly. It seems to be evident that there is a market for light salted fish, a market that is larger and more readily available than are the markets for heavy salted fish.

With respect to community stages on the Labrador, in addition to those built for Labrador residents I should also like to see the experiment tried of a community stage complete with a bunkhouse and dining facilities so that crews from elsewhere could spend the summer fishing on the coast and then sell to collectors, the fish caught and stored in the stage. That could very well be one way in which the Labrador fishery could be revitalized. Certainly Labrador offers some of the most prolific fishing grounds in Canada and Canada's are the best in the world.

There is no need for me to point out again how other nations are profiting by using the waters off Canada's coast. The Labrador floater fishery, which almost disappeared several years ago, shows sign of reviving and I believe that a new Labrador fishery tailored to meet present-day requirements is a distinct possibility. It is something that the minister could very well look into and I believe it would be rewarding to the fishermen as well as being of great benefit to the Canadian economy.

I should like to express appreciation for the work the minister's department is doing in research and again make a request for further study of the artificial drying of light salted fish. I believe this is absolutely essential. If we do not keep these markets then the markets will disappear. If the product to which they have been accustomed in the past is kept away from them long enough, the demand for it will completely cease to exist. It would be really tragic if we were to lose these historic markets, and if we do not develop the kind of product which the market wants somebody else is going to do it and we may well lose the market forever.

The question of what to do with respect to the fisheries is, I think, fairly easily answered. There have been commissions from time immemorial that have looked into the matter of what is wrong with the fisheries and some of these commissions have produced very valuable information. The last one was the Walsh commission in 1952, I believe, and as a result of that commission action was forthcoming. I ask the minister to keep an eye on the possibilities for development based on the knowledge he already has and so that he may acquire further knowledge I invite him and his officials to visit Labrador and northern Newfoundland personally as soon as possible. When he has assessed what is needed, when he has acquired the necessary information, which is already at his disposal, all I ask him to do is to put into effect the policies that are needed. Some of these policies are simple. Some of them are very basic. They have to do with enabling the fishermen to produce more fish in order to make more money. Some of these policies, like the development or continuation of research, are more involved, but none of the problems is insurmountable. All are problems that can be met, and certainly with a knowledge of what is needed the will to do must be forthcoming.

I should also like to mention the presence of a Russian icebreaker at the seal fishery this year. This is a sign of the times, a sign of the increasing competition with which we are going to be faced in every phase of the fishing industry. It probably would not be a bad idea for us to consider at the appropriate time the advisability of having icebreakers available for the assistance of Canadian sealing ships.

I believe that the government of Newfoundland is experimenting at present with a new type of trawler. While I understand it is hoped that the boat will be self-sustaining, I might suggest to the minister in passing that as the knowledge gained will be available to all of Canada the federal government might consider sharing the loss with the province in the event there is a loss.

Finally, may I again emphasize the necessity of the investment of comparatively small sums of money so that the fishery can be more profitable for all concerned, so that fishermen will be more independent, so that fish products will bring a greater profit to Canada and so that the industry will grow faster than it has been and in proportion to our population and our economic needs to the greater profit of the fishermen of Canada and the people of Canada generally.

Mr. Crouse: Mr. Chairman, as the representative from Queens-Lunenburg, one of the oldest and most famous fishing constituencies in Nova Scotia, it is with pleasure that I rise to participate in the debate on the fisheries estimates. My first words will be to commend the minister for the conscientious manner in which he is administering the affairs of his department. The fish and shellfish resources that abound off the coasts of Canada make a great material contribution to our national economy and to the food supplies of this nation and other countries, and they merit continual attention not only from the government but from private agencies as well.

The fishing industry is soundly based upon a living, constantly renewing source of national wealth which, with proper management and careful planning, can be maintained at its present level and greatly enlarged. However, if this resource is neglected or overexploited the reverse is true, and this presents Canadian fishermen with a constant problem. Supervision of this great resource is a governmental responsibility but in order to achieve the maximum results co-operation is required from all those engaged in the fishing industry, the fishermen, fishing companies, processors, dealers and the public at large.

The Department of Fisheries has made great forward strides under the present minister, with special emphasis on the fisheries research board. This progressive arm of the fisheries department has been conducting studies on oceanography and the fisheries, and I believe the information gained will be invaluable to Canada's fishermen.

We too easily forget that the earth's surface is only one quarter land and that almost three quarters is covered by water. Of the land quarter only about one half is habitable, and much less than that is cultivatable. On the habitable portion of the land, there now live about three billion people, approximately one billion more than lived here 50 years ago. Experts estimate at present rates of population growth there will be four billion in 15 years, and six billion or twice the present world population in a span of only 40 years. These numerous new people will need both space and food. If the world is to be called upon to provide additional food for another billion people in 15 years, a more readily available source than bringing new land under cultivation will almost certainly have to be found. The only large and as yet not fully explored source of food is the ocean. Recent and continuing heavy capital investment in large modern highly mechanized fishing fleets and in research and oceanographic vessels by the United Kingdom, the United States, Russia, France, Japan and indeed by most of the countries of the world seems to indicate that the race for animal protein is already under way.

We are carrying out similar studies in Canada. In fact, the Canadian committee on oceanography was reorganized in December 1959. From studies already made it would appear the great future developments in marine fisheries lie in three directions. One is to develop fish culture or fish farming. The second is to make fuller use and to take some of the guesswork out of the bank and groundfish industry with which we are already familiar, and the third is to separate the productive from the non-productive areas on the many fishing banks that exist on our continental shelf. With the help of other governmental departments, these broader aspects of oceanography are no longer frightening and positive programs can be laid down and in due course carried out.

One of the prominent examples of fish farming is the experimental work carried out by the department with several imported varieties of oysters, seeking a breed which could survive in Nova Scotia waters. Efforts to plant Prince Edward Island oysters in the Atlantic coast regions of Nova Scotia have not been too successful. I understand from reports that there was extremely heavy mortality in the St. Margaret bay area, though some oysters did grow fairly well at coves near Chester. The reason these tests were not entirely successful could well be due to the fact water temperatures on the Atlantic coast are much colder than in the sheltered Northumberland strait area, and I suggest the department continue with these tests by bringing in oysters that are accustomed to colder waters.

Without question, any expenditure by the fisheries department in an effort to re-establish the oyster fishery depleted by the epidemic oyster disease some years ago can be readily justified because of the great economic benefits to the province, and the nation as a whole. The fact that this type of fishery is within three miles of our coast and will be of direct value to Canadian fishermen should be considered. I often wonder if Canadian fishermen realize the tremendous potential in the oyster fishery.

In 1960 for example we exported to the United Kingdom, British Guiana, St. Pierre and the United States a total of 19,200 pounds valued at $5,443. However, during the same period we imported from Hong Kong, Japan and the United States a total of 71,743 gallons of oysters weighing approximately 10 pounds per gallon, valued at $503,770. In other words, there is a market for over half a million dollars worth of oysters right here in Canada and these shellfish lend themselves well to farming. Plans are available whereby fishermen living along the coast could build cement holding ponds and by pumping in sea water under controlled temperatures, and using proper feeding plans, a suitable oyster harvest could be secured. Oyster seed farming is biologically possible if oyster seed of disease resistant strain is used, as proved on Conway narrows flats in Prince Edward Island, the department's experimental area.

This calls for some forethought and planning, but this could be developed for the benefit of our inshore fishermen and could provide much needed revenue and employment in some of our Atlantic coast regions. The

market potential is not only great in Canada, but this program of oyster farming, if developed, could provide us with more oysters for export as the market for this succulent seafood is almost unlimited and this would improve our imbalance in trade. I believe the Bras d'Or lakes of Cape Breton, for example, with an entrance and exit to the sea, and where the water is warm enough to encourage excellent growth in a sheltered area, could be turned into one gigantic oyster farm bringing much needed income to the citizens of that area.

While commending the minister and the scientists of the research board for their efforts to replenish the oyster stocks in Nova Scotia, I would also urge they give equal attention to developing and restocking our clam beds along the Atlantic coast and our scallop beds in the bay of Fundy. During the past few years it has been found necessary to curtail clam digging in many areas of the Atlantic provinces because of the toxic effect this tasty seafood had on the consuming public, due to water pollution. As a result, many of our clam canning factories have been forced to close or seriously curtail their production, resulting in a further loss of income to our inshore fishermen. We see Japanese canned clams in constantly increasing quantities in the food stores throughout Canada, and to see this shellfish packed in a distant country offered for sale in the Atlantic provinces is the height of irony.

The fact that Japan, with its teeming millions in need of food, can export clams to Canada is indicative that we as a nation have been negligent in the care of our shellfish resources. Their success is not due to discoveries of which we are unaware, but due to their insistence in keeping up to date methods of development, production, inspection and conservation. What is the problem affecting our clam industry? In certain areas water pollution has been quite heavy, and as most people know shellfish will pick up and concentrate germs. However, it is equally true that contaminated shellfish will readily cleanse themselves in clean water. This is cheap and handy enough, but to ensure and certify that this has been done requires testing, inspection and market control and I would suggest this work could be undertaken by the officers of the fisheries research board working in conjunction with the fisheries officers in the Atlantic coast areas.

In addition, some encouragement should be given our inshore fishermen to invest in a mechanical clam digger or shellfish harvester. These are used with great success along the coast of Maine, and the fisheries industrial development service working in co-operation with the fisheries research board perfected a shellfish harvester called the "Cyprina" which they found not only good for clam digging but also suitable for harvesting "bedding size" oysters. The plans for this type of machine are readily available, the market for the clams is here in Canada as well as in the United States, and I believe this type of fishery merits a second look not only by our inshore fishermen but also by government officials.

Just what are the possibilities? While Canada's clam production last year amounted to $781,324 we still imported from Japan canned clams and crabmeat, another shellfish that could be processed in Canada, to a value of $482,958. It is true our clam production has been hampered due to contamination in certain areas. However, these contaminated shellfish further point up the need to accelerate construction of municipal and industrial waste treatment works to alleviate the evident destruction and waste of Canada's marine resources. It is a somewhat sobering thought that in the event of an atomic war the ocean could well be the only source of uncontaminated food supplies. The ocean is mankind's largest remaining source of edible protein and it cannot continue to be considered as an unlimited disposal dump for atomic wastes and the products of civilization.

The same conditions that apply to oysters and clams apply to a somewhat lesser degree to our scallop beds. This industry has grown in the past six years in Nova Scotia from almost nothing to a landed value in excess of $2 million. Some 25 scallop draggers carrying crews of from 15 to 20 men each operate on the offshore banks at Georges and St. Pierre. This is a deepsea operation and when landed these scallops are all inspected by fisheries' officers prior to shipment.

However, not too many years ago the bay of Fundy produced considerable scallops and these were landed at Digby, Nova Scotia. In 1927, for example, total production in Canada amounted to 39,000 barrels, and 37,500 barrels came from Digby. Due to overfishing and improper conservation practices this fishery has declined in recent years, creating a considerable loss of revenue for our inshore or Digby scallop draggers.

When discussing shellfisheries we must not forget lobsters, which had landed value last year in the Atlantic provinces of $18,041,000. However, here again is a commodity that is still in great demand not only in Canada but also in the United States and European countries, with markets apparently unlimited.

The export value of Canada's lobster catch last year amounted to $20,149,974. While this is a significant amount, we are only scratching the surface. I believe greater emphasis should be placed upon increasing the amount

of lobsters along our shores by establishing artificial breeding ponds. While this method of increasing available supplies was tried some years ago, I think around 1913 and 1914, at Long Beach pond and Gabarus pond in Nova Scotia without promising results, I believe that with our present scientific knowledge we could establish with a greater degree of success artificial breeding ponds for lobsters so that our bays and inlets could be restocked along the coast of Nova Scotia.

At the present time we are spending large amounts of money on research and conservation methods on the high seas with regard to our groundfish industry. The *A. T. Cameron,* a 177-foot research ship is searching out new areas for our ground fishing fleet. While I am vitally interested in all aspects of our fisheries development, I would point out that any new fishing areas discovered by the *Cameron* will only be useful in the future when we have larger ships than those presently in existence.

Our efforts to conserve the small fish by establishing net mesh regulations are also questionable as there is a growing feeling among Canadian fishermen that these regulations are not being followed by fishermen of other nations.

In support of that statement I would quote a list of prices taken from the Halifax *Chronicle-Herald* last week. These prices are for codfish in Boston. They quote large cod at 5 cents per pound, medium cod at 5.75 cents per pound, and cod scrod—that is, 2½ pounds and under—at 5.95 cents per pound. Here the emphasis is placed on the small fish.

In view of our inability to enforce conservation measures beyond the three-mile limit of our coasts I would urge upon the government that we give more thought to developing our shellfish industries and those ground fisheries that come within the jurisdiction of the Canadian government.

I note, for example, the amount of the contribution this year toward fisheries research is only $25,000, as in the previous year, while the amount for the construction of departmental vessels has been increased from $200,000 to $980,000. For the reasons I have mentioned I believe more of this money should be diverted to fisheries research.

To encourage and provide an area for these developments I would suggest to the government that we give consideration to establishing base lines from cape St. Mary near Mateghan past Grand Manan island to the New Brunswick border and class the bay of Fundy area as a territorial sea in which fishing is restricted to ships of Canadian registry.

A similar base line should be drawn from Cape North in Cape Breton to Port Aux Basques, Newfoundland, and the gulf of St. Lawrence classed as a territorial sea, thereby providing an area for shellfish and certain groundfish conservation practices that would come under Canadian government control and provide an income for our inshore fishermen in the Cape Breton area as well as those in Prince Edward Island, the Gaspe coast, the Magdalen islands and part of the coast of Newfoundland.

I do not believe this action would receive any serious criticism internationally as Canada is bordered by three vast oceans, the Atlantic in the east, the Pacific in the west and the Arctic in the north, a total coast line of approximately 60,000 miles in which other nations have unlimited fishing rights. It would also have no effect on those countries which are presently fishing extensively on our east coast banks.

However, in the areas I have mentioned, where the base line would provide a small territorial sea, there are many fishermen and communities which depend principally for their livelihood on the fishing industry. We could carry out in these areas proper conservation practices and assist in the redevelopment of our shellfish industries, which could be of considerable economic importance not only to the Atlantic provinces but to all Canada.

With further reference to fish farming, I believe there is an increasing demand for more sport fishing particularly near urban areas, with the added possibility of developing a commercial product of value. I believe this matter was discussed at the fourteenth meeting of the Canadian committee on freshwater fisheries research, sponsored by the fisheries research board. I believe farm fish ponds and fisheries management should be further encouraged in Canada.

At the present time there are thousands of ponds, mostly in Quebec and Ontario, though we have some in the maritimes. In fact there is one in my riding near Lunenburg. The chief product of these fish farms is trout and the pressure on natural waters and the demand for more sport fishing is creating a situation in Canada favourable to the further development of ponds. There is also a growing commercial market for rainbow and brook trout, which at present are being imported from Japan and Denmark in increasing quantities. In fact, at the present time a 10-oz. package of rainbow trout packaged in Denmark is retailing in Ottawa for 57 cents.

I submit there is an opportunity in this industry for energetic Canadians, and I would urge the fisheries department to give every encouragement to this type of development.

Along the same lines I would urge that further consideration be given to the restocking of our rivers and lakes with salmon. In my riding we have fair salmon fishing on the Medway river in Queens county and the Lahave river in Lunenburg county but steps should be taken to build up the salmon runs not only in these rivers but in Martin river and Middle river and others in Lunenburg and Queens counties. This would further encourage tourists to visit Nova Scotia, and thereby assist in strengthening the economy of our province.

The recent loss of 17 fishermen by drowning when their long-liners sank because of high winds and heavy seas off the coast of Nova Scotia should cause some concern to the minister and officials of his department who have encouraged the construction through subsidies of this type of craft. These men were the very best and most aggressive or they would not have been where they were, and their loss leaves a void that will never be filled.

While long-liners were never intended to operate over 100 miles at sea on our offshore banks, I personally believe there is a structural weakness in these craft which would bear examination. The large wheelhouse placed amidships which covers the engine and fish hauler has been designed more as a shelter from the normal elements than as an integral part of the hull. When struck by a heavy sea this wheelhouse is quickly destroyed leaving the long-liner exposed to the elements and possible flooding when the next sea strikes. It is worthy of note that 65-foot draggers, which are completed decked over, and also ships of the schooner type between 75 and 100 feet in length successfully weathered this particular storm. As a matter of fact, the schooner type design which made the sailing ship *Bluenose* and the town of Lunenburg famous, has never been surpassed in seaworthiness. I would ask the minister and his officials to give urgent consideration to these facts and to the possibility of improving the long-liner design.

A complete study of the entire assistance program would in fact be most desirable. According to figures supplied by the economics service, Department of Fisheries, for the four year average, 1955 to 1958 inclusive, Nova Scotia draggers averaging 65 feet in length spent 179 days at sea per year. Here my remarks coincide to a considerable extent with those made last evening by the hon. member for Gloucester which would indicate we have our fishermen's interest very much at heart. During this period when the 65-foot draggers operated, actual fishing hours amounted to only 1,433, or less than 60 days out of a year's total of 365. This gives an indication of the seasonal type of operation carried out by the six man crew on a 65-foot dragger and explains the reason for the marginal earnings shared by these fishermen.

It is evident these ships are not large enough to operate in the fisheries on a year round basis, and larger ships are required not only for the safety of men's lives but also to provide steadier employment at sea and ashore. This requires heavier capital investment, and in order to obtain this capital the fisherman must receive a better price for his fish. Of the species of fish landed it is interesting to note that cod, haddock and flounders comprise over 81 per cent of the total. During this period haddock landed averaged 3.5 cents per pound, codfish three cents per pound and flounders slightly better than 3.2 cents per pound. It should be pointed out that though fancy grades bring better prices than those previously mentioned, the scrod grades, that is to say, fish of two and a half pounds and under, lower the total average.

It has been suggested by many fishermen that the present price which has remained fairly constant for the past 15 years be raised by one cent per pound. This would make the difference between a marginal operation, and one economically sound and capable of supporting the fishermen and their families and supplying capital for larger ships. The next question is, of course, whether the market can stand this price increase. A recent survey in the Ottawa supermarkets on the three species mentioned showed frozen haddock in one pound packages retailing at 49 cents per pound, frozen cod at 37 cents per pound and frozen sole at 45 cents per pound. As it takes three pounds of fish to make one pound of fillets, an increase of one cent to the fishermen would increase these prices by three cents to the consumer. Even with this increase these seafoods which provide much needed vitamins and minerals to mankind would still be much lower in price than the trimmings from the slaughterhouse tables which are selling as hot dogs or all beef franks at 59 to 63 cents per pound.

An increase of one cent per pound on haddock, cod and sole over present prices would also go a long way toward providing further additional capital for use by our fishermen on the construction of new ships. While I realize much of our production is sold in the United States market, and we must compete with world exporters, I believe every effort should be made to provide at least this one cent per pound increase to our fishermen. To do this, we must encourage greater consumption of fish among Canadians generally. At present the average Canadian consumes 142 pounds of beef per year, 72 pounds of

poultry but only 13 pounds of fish or a little better than one pound per month. This despite the fact that fish protein has a high biological value in terms of body growth and repair. Fish protein is complete and balanced nutritionally. Fish protein is easily digested and readily available to the body. Nutritionally, fish are a gold mine of dietetically valuable minerals and of other inorganic compounds. It is now well recognized the serum cholesterol level in man can be lowered by reduction in fat intake, or by judicious substitution of one form of dietary fat for another.

In fish we have a uniquely valuable food; one that combines the biological value unique to the proteins of the animal kingdom, with the healthful soft fats unique to the plant kingdom, and which assist in the prevention of arteriosclerosis, a disease of the arteries of the heart. In addition to its health values, fish is available in a wide variety of flavours, textures and market forms. To the economy minded, fish fillets provide 100 per cent protein with no fat or bone to waste. It is readily available and easily prepared, and I trust it will find increased acceptance among our Canadian consumers thus providing a much needed boost to our east coast fishing communities, the secondary industries allied with fishing, and a strengthening of our entire Atlantic area economy.

Mr. Winch: The fishing industry of Canada is most important to our economy besides providing valuable food to the domestic market and to people beyond our borders. It is with regret that I have come to the conclusion that the fishing industry of Canada generally is not of immediate concern to the present government. In particular, the present government does not appear to be concerned about the fishing industry of British Columbia. The government and the Department of Fisheries appear to look upon the fishing industry on the Pacific coast as an illegitimate child, something in which they should be interested, but not too much.

Why do I say that? Why do I feel that? Why have I reached that conclusion? I do so because, as has been pointed out by the hon. member for Skeena, there definitely seems to be a difference in the attention paid to the fishing industry in the maritimes and the fishing industry in British Columbia. If the agriculture industry is in difficulties, whether it be in regard to wheat, eggs, poultry, sunflower seeds or soybeans, the government takes some action. On the other hand, when the whaling fleet of British Columbia is not able to go out, as was the case last year and as probably will be the case this year, and when the herring industry is in grave difficulties, what does the minister do? The minister tells us, as he did last year, that he is keenly interested and will give serious consideration to the situation, but nothing is done at all. I should like to ask why there is this discrimination?

When the coal industry is in difficulties and requires subsidization, this government provides it. If the gold mining industry is in difficulties and requires subsidization, that industry receives it. When the agriculture industry, and to a certain extent the fisheries industry in the maritimes, is in difficulties, the government does something about it. However, when the fishing industry in British Columbia, which is of major importance to the people of that province, is in difficulties the government considers it as an illegitimate child, and it receives very little attention.

The hon. member for Skeena this morning mentioned the trials and tribulations of the herring industry in British Columbia. I have yet to see any record at all of assistance given to that industry by the minister's department or the government of Canada. I fail to understand why there has not been an intensive effort made to maintain the herring industry of British Columbia in the export field. I realize of course that it could be said by the minister and his department that this is a responsibility of the Department of Trade and Commerce, but I notice when sales of wheat and grain are needed, that need is not considered a problem of the Department of Trade and Commerce, but a problem of the Department of Agriculture, and is treated as such. If that is done as a government principle I think that principle should also apply to the fishing industry in British Columbia.

The hon. member for Skeena also pointed out that we were grateful for the vast sales of wheat and other grains to China, but a few years ago the province of British Columbia exported vast quantities of salt herring to China, and I should like the minister to inform the committee what endeavours have been made by his department in co-operation with the Department of Trade and Commerce to re-establish our herring export markets in China and Japan. I was very intrigued when reading an article last week to the effect that Japan is now negotiating with the Soviet union for the purchase of 1,000 tons of herring, which is a follow up of a similar sale made a year ago. What have the officials of Canada done in an attempt to obtain markets for Canadian fisheries products, not only in China, where the people are starving, but also in Japan? In view of the fact the herring industry of British Columbia has been in grave difficulties for the past 18 months, one is led to ask has the department made any endeavour to assist that industry. Mr. Chairman, nothing has been done.

As I have said, I was intrigued and interested when I read an article stating that Japan was negotiating a sale of 1,000 tons of herring to the Soviet union. I was also intrigued when reading an article appearing in a newspaper regarding research in the fishing industry. This article pointed out that Norway had developed a herring roe industry and was exporting this product to Japan. This is a very high priced product called kazanoko. This product is regarded as a luxury in Japan and is very, very popular. Its reception there has been so successful that although, according to the article, only 100 kilograms were exported to Japan one year ago, there are now 20 companies producing this product to meet the present demand in Japan.

The Pacific coast of Canada, where there is a herring industry, is much closer to Japan than is Norway. I am wondering what consideration has been given to the herring industry in the way of research by this government, and what attempt has been made, not only to re-establish the old export markets in respect of salt herring, but to create new markets, such as this new market in Japan for which we must give Norway credit in assuming leadership?

Mr. Drysdale: Mr. Chairman, would the hon. member permit a question? Has the hon. member any idea of the price at which Norway is selling its herring to Japan?

Mr. Winch: No, I have not the slightest idea. I do not know the price of the kazanoko, but I do know that the coast of British Columbia is closer to Japan than is Norway, and that with a little research, and perhaps assistance in regard to trade markets, with the development of this new product, perhaps our fleet could have been operating instead of being out of work the major part of last year.

We have a similar difficulty in respect of our whaling fleet. My friend the hon. member for Burnaby-Richmond can smile and laugh, but these are grave situations which should be drawn to the attention of the minister and his department.

Mr. Drysdale: Mr. Chairman, on a question of privilege; I was not smiling at the hon. member, but smiling at the fact that he has not bothered to produce the facts. If red China intended to purchase herring from Canada in the way it is now purchasing wheat, it would not hesitate to do so. The hon. member has not bothered to produce any factual information in this regard, and that is why I was smiling.

Mr. Winch: Mr. Chairman, I am interested in the establishment of an aggressive policy on the part of the government of Canada to sell the products of Canada. I do not believe we should wait, in this buyer's market, for other countries to come to Canada to purchase these products, particularly in view of the difficulties with which the fisheries industries are now faced. My friend the hon. member for Burnaby-Richmond, as a Conservative, is quite prepared to sit back and wait for these countries to come to Canada, but in this way we are not going to maintain our export markets. I suggest that we must be aggressive in our attempts to find new markets.

I should also like to direct the minister's attention to the fact that our whaling fleet was not out last year, and I understand it is not going out this year. I feel that some attention should be given to this grave situation.

I should also like to refer for a moment or two, to the matter of conservation. What has this government done in regard to conservation of our fisheries products? I asked this same question of the Minister of Fisheries last year, and he replied that he was keenly interested and concerned, but as yet we have not heard one word in the way of a solution to this problem. The Department of Fisheries, to my knowledge, has put forward no ideas at all, nor offered any help in the solution of this problem.

I suggest that the province of British Columbia, particularly its fishing industry, has been let down by this government. The residents of British Columbia feel that the fishing industry there should not be considered by this government as an illegitimate child. We feel that this industry is of vital importance to the peoples of the Pacific coast and that every assistance should be given to the solving of its problems.

Mr. Chairman, I should now like to proceed to discuss a subject of importance to the peoples of Canada from the Pacific to the Atlantic, and I refer to conservation and the methods of killing in respect of whales and harp seals. I have been very interested in noting that only one hon. member from Newfoundland has made any mention at all of the sealing industry. Mention was made of the fact that a Russian icebreaker was at the icefields and that perhaps Canada might do something of a similar nature.

I want to speak on this issue from a different angle. Knowing that these estimates were coming up, I spent a most interesting two or three days a short time ago in reading the various issues in the past year of that most remarkable magazine, the *Canadian Audubon,* and the writings of that world authority, Dr. Harry R. Lillie. He had a most interesting article in the *Daily Telegraph* of Great Britain on March 19, 1960. It was

entitled "Slaughter in the Polar Seas". I understand that Dr. Lillie is recognized as a world authority. What was the main point of this article? I quote:

> The catching of some 50,000 whales each year involves cruelties unimagined by anyone who has not seen a kill.

He points out the need for conservation and also that more humane methods of killing should be used. I wish to quote just a couple of paragraphs from the article:

> Cruelty is one thing, but with it is the tragic greed of the countries that are wiping out—it could almost be described as deliberately wiping out—these great creatures.

This does not apply to British Columbia because our whaling fleet has not been out. I continue:

> Estimates of the present whale population vary widely, but it seems fair to say that at the present rate of catching the industry will have worked itself out of business in 10 years or even less. The average rate of reproduction is low—only one calf in 2½ years.

May I concentrate on this:

> There is an international whaling commission which does its best to supervise the industry in an advisory capacity on behalf of the member countries. It fixes a quota of whales which can be killed in a season. But it has no powers of compulsion. There is complete reliance on the goodwill of the countries operating—goodwill unfortunately not always in evidence.

When the minister speaks on this first item I should like him to tell us what action is being taken by his department to bring about by international understanding and international treaty a law of compulsion to conserve the whales of the world, and also a more humane method of killing. I make this request because I am in receipt of letters from the Audubon society asking whether Canada will not take the leadership in bringing about a more humane method of killing.

According to the article by Dr. Harry R. Lillie and information from other sources, I am led to believe that a more humane electric harpoon has been developed privately, and that all the full-scale tests which have been made, not in Canada but elsewhere, show conclusively that it has been successful far beyond the original expectations.

I now move from a discussion of whales to a discussion of seals. This subject, of course, is of major interest to Newfoundland. I have read with a great deal of interest a pamphlet issued by the same Dr. Lillie called "The Seals of Pack Ice", and also an article written by one whom those from Newfoundland and the maritimes will know very well, namely Harold Horwood. The article appeared in the *Canadian Audubon* magazine April, 1960, and is entitled "Tragedy on the Whelping Ice". Maritimers will know that Mr. Horwood is a well known journalist living in St. John's, Newfoundland.

[Mr. Winch.]

Mr. McGrath: He subscribes to the hon. gentleman's political theories.

Mr. Winch: I did not catch that.

Mr. McGrath: I interjected that the gentleman to whom the hon. member referred subscribes to his political theories.

Mr. Winch: To mine?

Mr. McGrath: Yes.

Mr. Winch: I did not know that before. He is even more worthy of notice than I had understood.

Mr. Drysdale: You had better read it carefully.

Mr. Winch: I have read it very carefully. I say that the author lives in St. John's Newfoundland, and I am certain that the hon. member who interjected will admit that his long interest and knowledge of this very matter, tied in with the report of Dr. Lillie, should commend the article to the committee. What does the article say? It is something that in which everyone should be interested. May I just make a brief reference to it because it has to do not only with the methods of killing but also with conservation. The article reads in part:

> The seal hunt is an annual adventure in the icefields to the north of Newfoundland. Full of hardship, danger and cruelty, it has been going on yearly for a century and a half, but is now near its final act, as the once great seal herds of the northwest Atlantic are relentlessly hounded to destruction by motor ships, aircraft and helicopters.

The article goes on:

> Traditional toast drunk in St. John's to departing sealers is "Bloody decks, and many of them!" This is symbolic of the barbarity with which the seal hunt is conducted. Dr. Joseph Cunningham, the world-famous small boat sailor, who "went to the ice" in 1955,—

I believe this is the term used in Newfoundland. Dr. Cunningham went to the ice and found the seal hunt utterly degrading and cruel. The article goes on to point out what is happening to the seals off the coast of Newfoundland as they go north. He gives the figures of the Newfoundland kill. From 1831 to 1840 it was 470,000 yearly; from 1931 to 1939 it had fallen to 170,000 yearly; and now it is below this figure.

I have an interest in this particular matter for two reasons. I have a very keen interest in it because I take a great deal of pride in the fact that my late father introduced me to this question of humane killing many years ago. He himself never killed an animal or shot a bird; neither have I. That was the education he gave me; only kill because of necessity. But if because of economic necessity we have to kill, then let us do two things: one, remember conservation in the interests

of the economy; and, two, kill in the most humane way that science can provide.

I wanted to raise, first, this question of the fishing industry in British Columbia and the problems that we are facing there. It is my belief, as I said, regretfully, that there is not being carried out the research that is required to maintain the various segments of the fishing industry of British Columbia. Second, on the basis of the opinions expressed by authorities in British Columbia keenly interested in whale conservation and authorities in Newfoundland interested in seal conservation and not on the basis of personal knowledge, I submit that serious consideration should be given to this matter and we should be provided with information as to what the department is doing with regard to this matter which is of such great importance to British Columbia and Newfoundland. It is not enough to get an immediate return by killing now. Our great interest should be to profit from our resources in the best way we can, whether they be on land or in the sea, but at the same time to conserve them for those who come after us.

Irrespective of whether we are Conservatives, Liberals or C.C.F.'ers I think the great responsibility of a member of parliament as an adult Canadian citizen is to see that we hand on to those who come after us a heritage which is greater and fuller because it has passed through our hands. That is the principle I have tried to enunciate this afternoon.

Mr. Drysdale: Will the hon. member permit a question before he resumes his seat? I think it would be safe to say that we are *ad idem* on the question of conservation, but I was wondering whether the hon. member could explain why he thinks electric harpooning is more humane than the present method which I understand involves a detonation when the harpoon hits the whale.

Mr. Winch: I should like the hon. member to read the authorities I have been reading this past week, people from Newfoundland, the United Kingdom and Norway. According to all the information I have been able to gather, the exploding harpoon now used does not necessarily cause instant stunning because as a rule it hits the intestines and does not kill the nerve blocks. On the other hand, the electric harpoon immediately kills all the nerve blocks. According to all the reports I have read, it has been tested with excellent success. The request from the Audubon Society of Canada is that Canada interest itself in this matter and take leadership on the international commission—I have forgetten its name for the moment—in seeing that the most effective method of killing is used. That is my information from my reading. If I had the time I could explain further what happens with the explosion of a bomb harpoon inside a whale.

Mr. McGrath: Mr. Chairman, I should like to speak on the estimates of the minister's department with particular emphasis on what I and many of us from the east consider to be a very perplexing and serious problem facing Canada's oldest industry. I refer particularly to the salt fish industry. As briefly as I can, I should like to tie in my remarks concerning the problems of the salt fish industry with the work of the fisheries research board. I realize that all too often people speaking on this subject tend to generalize and to oversimplify, and I hope that this afternoon I will not be too guilty of generalization, bearing in mind at all times that I do not have a really technical knowledge of this very complex subject.

Before doing so, Mr. Chairman, I should like to refer to what the minister had to say in relation to the community stage program. I too share the views of hon. members who have spoken in the debate, and state without reservation that in my opinion the community stage program should be enlarged and stepped up with all possible haste because in my view it is measures such as this that will assist in the salvation of the now dying salt fish industry.

The minister also referred in his remarks to the fact that last year was a good year for the Canadian salt fish industry, and the reason he stated it was a good year was the fact that European stocks were low. I think you have here the real weakness of the Canadian salt fish industry, the fact that our markets for this product depend upon the stocks or supplies of the European markets. It is a common fact that most of the European markets are supplied generally by their own subsidized fleets operating in most cases in Canadian waters.

To illustrate this, in 1959 world production of salt codfish was, I believe, approximately 350,000 tons. The Canadian share of that production was about 45,000 tons. I think it is generally recognized, as I said before, that the majority of this fish is caught and sometimes salted in the waters immediately off Canada's east coast.

In relation to the problem of marketing and the sale of our salt codfish, one cannot escape reference to the system of marketing prevailing in the industry. The Newfoundland associated fish exporters limited, generally known as NAFEL, was abolished a few years ago by virtue of the fact that its exclusive licence as the marketing agency from the federal government had expired. This agency

was started by the previous administration of Newfoundland, that is, the government that existed prior to union, in order to correct a situation in the industry that was having serious repercussions around the world in the traditional markets for Newfoundland salt codfish. This situation came about by virtue of the fact that there was cutthroat competition and inconsistency in quality arising out of this competition, all to the detriment of the salt fish industry.

While there are many critics of this organization, there are many people who say it should have been enlarged to take in all of the east coast fishing industry including the Gaspe, Nova Scotia and New Brunswick. They say that it should have been set up as the marketing agency for all this area. I am not going to argue the merits or demerits of this cartel, because that is what it was, a private cartel with the blessing of the government, but I will say that just as a need exists in agriculture for a central marketing agency to dispose of Canadian agricultural products, more specifically wheat, in order to ensure stability in that industry and a stable return to the farmer, equally in my opinion the same arguments can be applied to the fishing industry.

I think that this fact is too often forgotten. By the same token, I believe consideration should be given to investigating the possibilities of the Department of Fisheries taking greater responsibility for the disposal of Canadian fisheries production, particularly of Canadian salt fish production.

There have been references to various types of salt fish, the heavy salted fish that is cured in Nova Scotia. However, little reference has been made to the light salted codfish, cured primarily by sun drying, for sale in the traditional markets that prefer this particular type of codfish. For one reason or another, this part of the industry has practically died. I think this is a place where the research board has a very important role to assume. It is a fact that in France, for example, a means has been devised for desalting heavy salted fish. The resultant product is even called "Newfoundland type" codfish. This is the type of fish they prefer.

Of course the problem, Mr. Chairman, concerns the method of drying. I feel that the fisheries research board is aware of this problem and is attempting to cure it. However, I do not think the industry is aware of the work of the research board. I hope I am not trespassing on the sensitivities of the hon. member for Bonavista-Twillingate, but I say that the experimental station at Valleyfield, Bonavista, does not serve the purpose for which it was intended because it is too far away from the main plants that produce salt codfish.

After all, if it is not accessible to the industry it is logical to conclude it is not functioning as it was intended to function.

Mr. Pickersgill: May I ask the hon. gentleman a question? May I ask the hon. gentleman if he has ever found the time to visit this research station before passing judgment upon it?

Mr. McGrath: Unfortunately I have not, because Valleyfield is so isolated and so far away from the main centres of the island that I have been unable to go there. It is only a few years since the road was put through to Valleyfield. This is the reason why I have never been there. I grant that the establishment at Valleyfield is adequate in every way for the purpose for which it was intended. My contention is that it cannot serve any useful function unless it is close to the main processors of salt codfish. As everybody knows, they are located around the southern part of Newfoundland as for example in the constituency of my hon. friend from Burin-Burgeo.

I am not going into the reasons for the establishment of this station at Valleyfield because I think hon. members can draw their own conclusions about that. I will say that this points up what, in my mind, is the weakness in the research aspect of the Department of Fisheries; the fisheries research board. I feel that if the plant at Valleyfield, or one similar to the one at Valleyfield, were located in a more practical location great benefit could be derived from it.

Referring generally to the question of the fisheries research board, I may say in my opinion this board has lost sight of its main purpose, namely to do the type of research, scientific and technological, that could be practically applied to the fishing industry. I do not believe this is being done. I should like to quote from a speech delivered by a member of this board in Halifax, I believe, not long ago. He said:

> Be that as it may—here are the views of a member of the Canadian fishing industry who became a member of this board one year ago. In that period it has become apparent to me that the board lived and worked in a world apart from industry.

I believe that this is a very serious statement, and one that deserves the closest study. I feel it is essential that money be spent on scientific research but that the results of this research be directed toward the practical, everyday use in the fishing industry. I do not believe that it is enough for the scientists to examine rare species of fish. This may be a scientific end, in itself, but I say that unless the work of the fisheries research board can be translated practically to the industry, then it is not justified.

There is no justification, then, for the public money that is spent in support of this board. I believe there is room for research and more research, but let us put basic things first. I believe that the results of this research must be more practically applied in order to achieve its purpose.

I feel, for instance, that there should be closer liaison between the industry and the fisheries research board. I do not think it is enough to publish scientific papers because after all these have to be translated into lay terms that the fishermen can understand and that the industry can understand. When the minister replies, I should like him to deal with some of these points because I feel they are very important and basic to the future of the fishing industry.

In conclusion, I would sum up by saying it is my firm belief that, first, there should be a serious reappraisal of the policy of the Department of Fisheries with regard to the salt fish industry; second, I believe the Department of Fisheries should assume a greater role in the marketing of our fisheries production; third, I think the fisheries research board should re-examine just exactly what its function is and try to translate that function into practical terms for the day to day use of our fishermen.

Mr. Tucker: Mr. Chairman, as far as the province of Newfoundland is concerned, we are today discussing the estimates of one of the most important departments of government. Newfoundland is an ideal base for fishing, not only for the Newfoundland fishermen but also for the British, French, Portuguese, Russians, Spaniards and others who come to the island every year with their fleets of ships.

These foreign fishermen, with their advanced methods and superior vessels, are fast outstripping the Newfoundland fishermen in methods of catching and curing fish. Consequently they can produce better fish at cheaper prices than Newfoundlanders.

At the present time there are approximately 22,000 persons engaged in the fishery ashore and afloat along our 6,000 miles of coastline. We have approximately 60 fish processing establishments and about 18 freezing plants. The industry ranks third in importance as far as the island's economy is concerned, and its products amount to $32 million yearly.

Newfoundland's main markets for salt fish were the British West Indies, Brazil, Greece, Italy, Jamaica, Portugal, Spain, Puerto Rico, Cuba and other areas in the Caribbean. All these markets are gradually disappearing. Many of these countries are now sending their own fishing fleets to fish on our Grand Banks off the coast of Newfoundland. This decline in our markets has taken place during a period when the consumption of salt fish in these foreign markets, which at one time were our markets, is greater than ever before.

What are the reasons for this state of affairs? Some of the reasons for the change can be attributed to the tremendous assistance given to the fishing industries in these foreign countries by large subsidies and assistance given to these industries by the governments to those countries to build tremendous fleets of vessels to fish on our Grand Banks.

Another very important factor is the increasing capital expenditure for stores, boats, equipment, fishing gear, etc., which have to be made by the Newfoundland fishermen. Their costs of production are too high. Newfoundland requires substantial assistance from the government if we are to hold our place in the salt fish industry by regaining some of our lost markets and getting new markets in the foreign trade. Further, Newfoundland's switch to heavy salted fish has greatly reduced the demand for our fish in these foreign markets. We should therefore produce the kind of fish these markets require if we hope to hold them against foreign competition.

At the present time there are large stocks of heavy salted fish, much of which was caught by Newfoundlanders, on hand in the maritimes. A large quantity of this type of fish was sold to Cuba but owing to present conditions sales have fallen off and this is causing some panic selling by maritimers in the Jamaican market.

Now many of the fish dealers who for years opposed Newfoundland Associated Fish Exporters Limited—known locally as NAFEL—are asking for a form of centralized exporting. I am convinced that NAFEL should not have been cancelled by this government until it had a better system of marketing to replace it.

Much of the blame for the condition of our fishing industry today can be attributed to the lack of assistance, lack of initiative and lack of interest taken in the industry by our governments, as well as by the industry itself.

Our governments, both federal and provincial, have helped the industry in certain ways, such as a bounty on the building of vessels, rebate on salt, building fishing stages, etc. While these are good measures, this assistance is not enough if we are to be the great supplier of salted fish that we were in past years. If we are to regain these markets and re-establish ourselves in foreign markets the industry will need a tremendous push, the expenditure of large sums of money, much more equipment purchased and greater assistance given to the fishermen as an incentive to induce men to return to the fishing boats.

Newfoundland is finding it increasingly more difficult to retain her foreign markets and can have very little hope of gaining new markets without definite action being taken by the federal government to counterbalance and reduce to a minimum the difference between foreign fishermen and the fishermen of Newfoundland. Above all we need a fleet of our own vessels to carry our fish to foreign markets so that we can make all the money possible out of our own product, and to make sure that all the returns go to Canadians to be put into circulation in Canada.

I was very pleased to hear the statement made this morning by the Minister of Transport regarding assistance to the builders and operators of Canadian vessels. I hope it meets with every success, especially in our fishing industry.

In my opinion the salt fish industry still remains the main productive resource of our island home and should play a major role in the raising and maintaining of our economy at a high level. If we get the action, incentive and assistance required from all concerned, then the salt fish industry will have a bright future and will contribute to the growth of our island.

The salt fish industry still means very much to Newfoundland and to Newfoundland's economy and it will continue to play a vital part in our way of life. But its future will depend upon the action, interest and assistance of our governments, both federal and provincial, and a new outlook by the industry. The governments and the industry should act now, without delay, because time is short.

I am sure that all concerned were glad to learn that the government has earmarked $150,000 to continue assistance to the fisheries of British Columbia. The fishermen, I understand, will be paid 12 cents a pound for dogfish liver delivered to oil plants and collecting stations. I believe this grant was forgotten by the hon. members from Vancouver.

No mention was made of assistance to our east coast fishermen in a similar manner, but the dogfish is a continual source of trouble to the fishermen on the east coast, as it is to the British Columbia fishermen. For this reason I suggest that the same benefit should be extended to east coast fishermen.

The 12 mile fishing limit for fishing rights has been in the limelight again recently. To we Canadians, to the Atlantic provinces and especially to those in the province of Newfoundland, this 12 mile limit means very much. It means the difference between a sagging economy and a bolstered economy for our province. It means the difference between a small share of the wealth, and practically the wealth itself that abounds in these waters around our shores within that 12 mile fishing limit. This is wealth which rightly and justly belongs to the people of Canada, the people of the Atlantic provinces, and in particular the people of Newfoundland, who have depended upon it for their livelihood for hundreds of years.

What is happening today, and what is taking place within that 12 mile limit? Fishermen from foreign countries, from Norway, Portugal, Russia, Spain, Sweden and other lands with their up to date ships equipped with the latest mechanical equipment are fishing our waters inside that 12 mile limit, taking the wealth out of our waters, taking from our fishermen, from our people, their means of livelihood, destroying our fishing industry and leaving the crumbs for our own fishermen with their small and limited ships which do not have the advantage of mechanical devices or modern methods.

What have we done about this? What has the government of Canada done about it? What does it intend to do to protect the God-given rights of our Canadian fishermen? Are we as Canadians, is the government of Canada, going to stand idly by and see our wealth being taken from us, our fishermen being deprived of their livelihood, our fishing grounds being used by foreign countries and our own fishermen struggling for a living against the tremendous competition provided by the foreign countries, while doing little or nothing about it?

It is up to any government of Canada, Liberal or Progressive Conservative, to see that our fishermen are given at least the same rights as those enjoyed by foreign trawlers. We were interested and glad to hear the Minister of Fisheries say on May 2 as recorded in *Hansard* at page 4254:

> I want to assure the house that no avenue will be left unexplored, no stone unturned, in order to secure action which will result in greater benefits for Canadian fishermen in the waters adjacent to our own coasts.

Mr. Chairman, this is a matter of our own rights as opposed to foreign trawlers which very often violate those rights, rebuff our courtesy and disregard the need for conservation.

The national Liberal rally held in Ottawa last January recommended to the national council of the national Liberal federation as follows, and I quote from page 10 of the report of the rally:

> We need a program for the stimulation of the fishing industry by increased assistance in the procurement of modern vesels and gear and by research in processing and marketing and in the promotion of expanded export markets. The 12 mile offshore fishing limit for foreign vessels should be established.

Recently two Nova Scotia fishing captains were summoned to appear in magistrate's court in St. John's, Newfoundland by the federal Department of Fisheries charged with operating within the three mile limit in Newfoundland waters. Yet foreign trawlers can come to our shores and legally fish to the three mile limit. This does not add up, and was never understood by the average Canadian citizen. We are glad to see that this situation has now changed and Canadian draggers can now fish to the three mile limit. I consider it is high time that this government gave further heed to the territorial rights of Canada and to the rights of her fishermen and took whatever action is necessary to see that Canadians have the assurance that their treasured possessions will be safeguarded through the exclusive right to fish within the 12 mile fishing zone. As I have already made clear by the quotation I gave, the Liberal party recognizes the need for a 12 mile limit to be enforced.

At the present time the seal fishing industry in Newfoundland is almost a thing of the past, and as a result of the returns from the hunt this spring, I doubt if any Canadian ships will take part in next year's seal hunt.

At one time, more than 400 vessels manned by some 14,000 Newfoundland sealers operated in Newfoundland and brought to port as many as 680,000 pelts in one season. This meant an annual expenditure of several hundred thousand dollars each year, and created much employment all the year round. Last year's catch had a value of less than $25,000.

This spring there were four vessels from Newfoundland and one from Halifax, manned by approximately 300 men seal hunting off the northeast coast of Newfoundland. The hunt was practically a failure, due primarily to ice conditions, and I would suggest that the minister give consideration to subsidizing the ship owners and the sealers.

Several requests for assistance were made by myself, by the owners, and by the captains of the ships who took part in the seal hunt this year to the minister responsible for the Department of Transport.

Mr. Winch: In view of what happened last year and this year, is the hon. member in favour of an international agreement on conservation?

Mr. Tucker: Most definitely. In spite of what I have said about the failure of the hunt as far as the Canadian seal hunters were concerned, the Norwegians have been sealing off our coast for more than 30 years and seem to make a profitable venture out of it. This year about 15 Norwegian ships operated off the northeast coast of Newfoundland. This spring, much to their surprise and regret, Newfoundland sealers found that in addition to the Norwegians they had another competitor in the seal hunt, a 7,000 ton Soviet icebreaker capable of cutting quickly through the massive ice floes which the Canadian vessels were unable to penetrate. The Russian ship was equipped with two helicopters which were used to scout for seals and then to transport the sealers to and from the patches of seals. The presence of this ship has discouraged our seal hunters and it is feared that if Russia continues to participate in the annual seal hunt off Newfoundland in ships similar to the one in operation this year, the Canadian sealing industry will become extinct.

The Department of Fisheries is well aware of the diminution of our seal fishery and the time has come—indeed, it is long past—for the department to take active steps to secure international agreement so that this industry may be preserved by putting a closed season on certain seals and limiting the number of seals to be taken each year. Those interested in the seal fishery were glad to learn that all sealing operations ended on May 5 of this year. The season for seal hunting opens on March 5 in the gulf area and on March 10 off the northeast coast of Newfoundland. Until this year there was no official closing date. An agreement was made this year between Norway and Canada as a result of which, next year, I understand, the season will close on April 30.

The minister stated on May 11, 1961, and I quote from *Hansard* at page 3531:

> I might add that this item is on the agenda for the next meeting of ICNAF, the international commission for the northwest Atlantic fisheries. I should also add that it has been observed this year for the first time that a Russian vessel has been sealing in the international waters off the east coast of Canada. Communications have been sent to the government of the U.S.S.R. requesting that they require their nationals to adhere to the general regulations.

I should like to quote again from the Liberal rally report, at page 10-NS-2, where the following statement is found:

> An effective program for the conservation of seals in Canada is required.

In closing I wish to thank the minister, and say that I believe he is a very sincere man. I thank him, as well as his officials, for the many courtesies extended to me from time to time. It is my opinion that the minister has a staff of competent officials who are well aware of the many problems that exist in the fishing industry, and I hope that they will see that this important industry is given every protection, in order that our fishermen will receive all the benefits possible from that industry.

Mr. McGrath: Mr. Chairman, would the hon. member permit a question? I did not want to interrupt him when he was speaking. The hon. member dealt at great length with Liberal policy regarding the extension of the territorial limit to 12 miles. Is it also the policy of the Liberal party to enforce this 12 mile limit unilaterally?

Mr. Tucker: Mr. Chairman, I understand this can be done by agreement.

Mr. McCleave: Mr. Chairman, my remarks will be brief, but I could hardly allow to go unchallenged the remarks made by the hon. member for Vancouver East regarding the attitude of this government toward the very important primary industry of fisheries. We all know that much has been accomplished, and that the qualities of the Minister of Fisheries will ensure that the problems of this very responsible group of fishermen in Canada will be brought forward and presented to his colleagues in the cabinet.

As an example of the progressiveness which has marked that department I should mention the fine new laboratory currently being erected at Halifax, and compliment the minister and his department for placing it there. The architecture of this new building is such that it will fit well into the complex of buildings in that particular section of the city of Halifax.

I should now like to mention a problem which is perhaps incapable of solution, although I hope it is not. The problem to which I refer results from a great deal of ice from the mouth of the St. Lawrence river drifting down to the coast of the maritimes causing considerable discomfort to the fishermen there. I am sure the minister is aware of this particular problem, as he announced just a day or two ago that the lobster fishing season in certain parts of the maritimes was postponed. Unfortunately, in the area in which I am most interested, from Clam bay along the southeastern coast of Nova Scotia to Canso, the reason has been opened on time. In some parts of that area this ice has presented little or no problem to the fishermen and they were able to place their traps and fish lobsters in the normal way. However, in other sections the ice has indeed presented a problem to the fishermen and has prevented some of them from fishing at all. In some cases the ice has destroyed the equipment of the fishermen. I have a report compiled by a number of my friends in that area regarding the losses of fishing gear. In the areas of Little Harbour, Ship Harbour, and the Tangier and Murphy cove areas, approximately 40 men have lost 25 per cent to 100 per cent of their lobster gear, and there have been additional losses in areas nearby. I do not have the complete statistics as yet, but I will be making a visit there next week, and will be in a position then to bring details, as to the losses suffered there to the attention of the minister and his officials.

I realize that the fishermen do have an insurance fund which replaced the old fund of emergency hand-outs in cases of disaster, but some of the fishermen will perhaps be debarred from collecting under this fund because they were not insured. Since the community as a whole has been affected by these losses I hope the minister will be able to devise some formula of aid for these fishermen. Perhaps a partial solution could be found in the extension of the lobster fishing season which would alleviate the loss of profits to a certain extent, but would do nothing in the way of replacing the lost gear.

Mr. Chairman, perhaps I could be allowed to go a little afield of the subject for a moment or two, to relate an incident showing the qualities of the inhabitants of that area of Nova Scotia. They are very rugged individualists there. One week ago on Sunday, two fishermen accomplished a rather minor miracle in that they were able to provide a service to the United States which our own search and rescue team was unable to provide. A United States navy man became ill at the United States navigational aid installation at Hardwood island, which is about a mile from Sheet Harbour passage.

Mr. Benidickson: How far is that away from a Canadian city such as Yarmouth?

Mr. McCleave: Sheet Harbour passage is in the riding of Halifax, which is in Canada.

On the day in question there was a wind blowing up to 45 miles an hour, and a very dense snowstorm prevailed. An urgent request for medical aid was received from the United States navigational aid installation at Hardwood island, and search and rescue were unable to answer it because of prevailing conditions. Two fishermen, David and Stanford Levy, of a somewhat picturesque place named Sober Harbour, with the help of sergeant Murray Cottell, of the R.C.M.P., conveyed Dr. Dennis Lahey to Hardwood island. When they reached the island they were marooned for six hours, unable to make the return trip. In order to make this trip they had to go two at a time secured by ropes in the dories. While the story amply shows the heroism and courage of these two fishermen and the mounted police officer, it had an unfortunate ending in that the individual who was ill had died before he could be brought to shore. This fact was unknown to the men when they made this perilous journey to Hardwood island.

I have related this story to indicate the quality and ruggedness of these two fishermen, who are of a type that can be found up and down the coast in that part of Nova Scotia.

In regard to the problem I mentioned at the outset, I hope the minister will be able to devise some formula to provide assistance to these fishermen.

Mr. Carter: Mr. Chairman, at the outset I should like to express my thanks to the minister and his assistants, to his departmental officials from the deputy minister down, for the kind and sympathetic consideration which I have always received in connection with any problems which I have brought to their attention, and for their willingness and cooperation, which have always been forthcoming in an effort to find a satisfactory solution to the problems presented to them. In particular, I should like to express my gratitude once again to the minister and his assistants for the efforts put forth this winter in connection with the encroachment by foreign draggers on our inshore fishing grounds.

Last night the minister gave us a most interesting account of the activities of his department during the past year. He indicated where progress had been made and he pointed out some encouraging signs for the future. Those of us who represent ridings in Newfoundland will welcome the provision of the two new boats which the minister mentioned, the patrol boat *Cape Freels* and the new refrigerated vessel to replace the old *Arctica,* and also the training courses for fishermen.

I would not wish to detract in any way from what the government has done and intends to do in the future, nor to deny them credit for things they do. Yet, in spite of all that has been accomplished in the past, there still remain some very harsh and unpleasant facts to be faced.

The fisheries constitute one of our most valuable sources of natural wealth, a natural resource all the more precious because it is self-perpetuating. With proper management it could yield a harvest of wealth which could be reaped year after year and still this great source of wealth could be passed on from generation to generation without being diminished or impaired. Furthermore, the fishing industry constitutes one of the best sources, and one of the main sources, of concentrated protein food in a hungry world, a world in which two thirds of the people go to bed hungry every night, without sufficient food to maintain normal health and growth. In the face of these two facts one would naturally expect the fishing industry to be prosperous.

Last night the minister referred to the higher prices that were received for salt cod during the past year, and particularly the higher prices in Newfoundland. That of course is true but it is not generally true. It is true for a few trap fishermen, but those high prices were not generally distributed among the fishermen as a body. The stern reality is that our fishing industry, particularly in the Atlantic provinces, is anything but prosperous. This was borne out by the figures placed on record last night by my hon. friend from Gloucester which can be found at pages 4702 and 4703 of *Hansard.* At that time he pointed out that in the years from 1945 to 1950 the fishermen of the maritime provinces received an average price of about 3½ cents a pound. At the same time the Newfoundland fishermen received an average price of 2.19 cents a pound. In the year 1957, those prices were still practically unchanged. In 1960, the prices were 2.57 cents a pound in New Brunswick, 3.45 cents a pound in Nova Scotia, and 2.63 cents a pound in Newfoundland. These figures prove beyond doubt that the returns to fishermen have not kept pace with returns from other industries; neither have they kept pace with the increase in the cost of living.

In my own province there is not much competition for the fishermen's fish. Somehow or other the various fish plants seem to arrive at the same price to the fishermen. The only protection the fisherman has against what looks like agreed prices is the opportunity to deny his fish to the fresh fish plant, but he can do that only if he has an alternative method of disposing of it. The alternative method, of course, is to salt his fish and dispose of it in the salt fish market. Last year, as the minister pointed out, the salt fish market was good and that benefited not only the salt fish fishermen but also those fishermen who sold their fish fresh.

In my own province of Newfoundland fishing is one of the three main props of our provincial economy, the other two being the production of paper and mining. While fishing is the most important from the standpoint of the number of people depending upon it for a livelihood—and I think my hon. friend from Trinity-Conception pointed out that 22,000 people were engaged directly in the catching of fish—yet the fishing industry in Newfoundland is the least prosperous of all. Our people forsake it when other work can be found, and they return to it when no other means of a livelihood is available. In my own riding it is the only means of livelihood for about 90 per cent of my constituents.

In view of the technological revolution that is now taking place in our Canadian

economy, it must be expected that for the next 10 to 15 years those whose age and educational levels preclude them from being retrained and acquiring industrial skills will have no choice but to fall back on the fishing industry as a means of livelihood.

It is true that expansion of the fresh fish industry in Newfoundland has filled the gap left by the disappearance of the old banking fleet of sailing ships. Those plants have given a new lease of life to communities like Grand Bank, Fortune, Burin, Burgeo and Harbour Breton, which otherwise would have become ghost towns. Where these plants have been established the people have enjoyed relative prosperity but I should like to emphasize the word "relative" because the prosperity is relative only in comparison with communities which do not have fish plants. It is not relative in comparison with other industries either in Newfoundland or in other parts of Canada.

In my own province the best that can be said for the fishing industry is that it is holding its own. In many cases it is not doing that. The inshore fishery has not improved much in the past 12 years. It is true that the fisherman's lot has been improved to some extent but this improvement has come about mainly through the enjoyment of social security benefits which became available when Newfoundland became a part of Canada. The improvement has not resulted to any significant degree from increased earnings from the fishery.

This is not to say that nothing has been done. On the contrary, a great deal has been done both provincially and federally. The minister mentioned last night the improvement in the bait service and the provision of portable bait holding units and community stages. My colleague, the hon. member for Grand Falls-White Bay-Labrador, referred to the small loans for fishermen and the hon. member for Gloucester mentioned the subsidies for fishing vessels. To these I think we can add the salt rebate, fishermen's insurance and other forms of federal assistance. On the provincial level we can mention bounties, loans to fishermen, loans to fish companies for plants and draggers and for modernization of equipment. In spite of all this assistance, which on the provincial level has been considerable in my province and possibly greater proportionately than that provided by any other province, the desired results have not been obtained. In my opinion the results that have been obtained have not been commensurate with the assistance given.

We may very well ask ourselves two questions. In view of this assistance, why is it that the fishermen have not benefited to any appreciable extent? Second, what additional forms of assistance are required and how much if we are to put the fishing industry on a proper economic basis? These are two very important questions which can only be answered on the basis of facts. The facts can only be obtained by a special fact-finding body set up for the purpose and armed with the necessary authority to get the information required. Since the fishing industry overlaps provincial boundaries, a body of this kind should, of course, be set up by the federal government.

As to the first question, why have we not obtained the results we anticipated from this assistance, though I am not in a position to quote facts I have been a close observer of the fishing industry in my own province and particularly in my own riding for the past 12 years. As a result of my observations I have formed some ideas and conclusions which, for what they are worth, I should like to put before the committee today.

In my opinion one of the main reasons why we have not achieved the desired results from all this assistance is the lack of an over-all, integrated program. I am not mentioning this by way of criticism directed at the minister or the government. I am stating a fact which I think has prevailed over a number of years. What we have done for the fisherman through all these various forms of assistance that I have mentioned seems to have been done on an ad hoc basis. These measures have not been the expression of an over-all policy.

The minister himself mentioned one or two good examples of that last night. He referred to the community stages. We have heard pleas today for the community stage program to be continued. Yet the minister told us last night that the program was one of 20 stages and as the 20 stages are completed that is the end of it. To what were these 20 stages related? I cannot see that this particular program of community stages has any part in any over-all program. It is something that grew up like Topsy. It fitted in as a type of winter works program. It was limited to 20 and now it is being cut off.

If the community stage program is a good thing and has a part to play in the development of our fishing industry, why should we stop it? Certainly it is one of the most important things that we need, and the very fact that it is being cut off proves my point that it is not related to any particular over-all program. Community stages are important for two reasons. They not only lower the cost of production but improve the quality of the fish. Instead of the fish being handled in many little buildings around a harbour it is brought to one place where it can be washed clean and sanitary conditions can be maintained. They

also provide the fisherman with an alternative in disposing of his fish because where there is a community stage the fisherman has a choice of selling his fish fresh or salting it. If there is no community stage he is at the mercy of whoever wants to buy his fish because he has to dispose of it at the only outlet available. The community stage program is a vital part of our fishery development program and I join with others in urging the minister to have it continued.

Another example one can cite is the salt rebate. This is a program whereby the fisherman gets a rebate of 50 per cent of what he spends on salt. Obviously the more salt he uses the more money he is going to collect by way of rebate. This encourages fishermen to produce heavy salted fish but in these times the market for heavy salted fish is poor while the market for light salted fish is good. We cannot supply the demand in Europe for Spanish cured and Italian cured fish and yet we have no program to encourage people to produce that kind of fish. On the other hand, we are encouraging them to produce a kind of fish which the market cannot absorb at the present time.

I think another reason why this program has failed is that the various provinces have had their programs and the federal government has had a separate program and if any effort has been made to integrate them it certainly has not been very successful. A good example of that is the portable bait holding units. As the minister told us last night, we have provided these at the rate of eight or ten a year. In Newfoundland alone we need at least 50. I think we could take care of most of our needs with 50 or possibly up to 75 but no more than that. Why should we have to dole these out at the rate of eight or nine a year and spread the small cost over a period of eight or ten years? They only cost about $5,000 or $6,000 per unit and if we had a program of 50 units for one year the cost would not be exorbitant and such a program would do much to establish our fishing industry on a sound basis.

Another reason, in my opinion, is that we have departmentalized our fishing industry within the boundaries of the various provinces. By doing this we have conformed to a clash of interests within the industry as between one province and another. The hon. member for Trinity-Conception cited the case of NAFEL, as did the hon. member for St. John's East. NAFEL, the Newfoundland association of fish exporters limited, came into being to deal with a situation under which we had to sell our fish to a central buying agency. Individual sellers were at a disadvantage in having to sell to that kind of agency. There were some undesirable features in NAFEL, I readily admit, and I hold no brief at all for that organization. I do not think it was as aggressive as it might have been, but it certainly filled a need and the undesirable features could have been changed. It did not suit our friends on the mainland at that particular time, and they were out for NAFEL's scalp.

Eventually, the exclusive right of NAFEL was removed. Now we have the reverse situation because of that and because of the developments that have taken place in Cuba, whereby we are at a disadvantage again in marketing our fish to a centralized buying agency. The very people who wanted to kill NAFEL have now realized the benefit of it and would like to have it back. The point is not whether or not we have NAFEL back. The point is that we should have some organization to market our fish in a situation where we have to deal with centralized buying agencies.

In spite of all the assistance we have given to the fishing industry it has been so ineffective that foreign draggers can come all the way from Europe and fish on our very doorstep, producing fish more cheaply than we can and underselling us in the markets of the world. This morning the hon. member for Grand Falls-White Bay-Labrador listed the problems of the fishing industry under three headings, production, processing and marketing. I would add two more headings to those, conservation and research. While it is convenient to separate our problems under various headings, this tends toward oversimplification because all these problems are interrelated and overlap each other. For example, the problems of production overlap the problems of conservation. The problems of processing overlap the problems of marketing.

My time is running out and I shall have to limit my remarks primarily to the problems of production. The fishing industry in my province is hampered by production costs. One of the most important factors in that cost of production is the cost of living. Also the cost of our Canadian ships, the cost of their construction, maintenance and operation, is much higher than similar costs for the same kind of ships and equipment from foreign countries. The Canada Shipping Act regulations impose standards from which foreign draggers are exempt, and these add to the cost of operation of Canadian companies.

If we are going to assist the fishing industry by means of a bounty or subsidy, the size of the subsidy should be related to this differential between the cost of construction, operation and maintenance of vessels in Canada and the cost to our foreign competitors.

In addition, there is the cost of nets, twine, gear, processing machinery and fuel for the operation of motors. In this connection, the tariffs imposed on these items greatly increase our costs of production. I want to support the recommendations which the fisheries council made to the Minister of Finance to remove these burdens. We have done this for other industries. We have done it for the farm industry and, in some cases, for the logging industry. However, for some unaccountable reason we are reluctant to give the fishing industry the same kind of treatment we have given to other industries.

I see it is five o'clock, Mr. Chairman, and I have a few more items to mention. However, I feel this is a very good time for me to stop and perhaps I shall have another opportunity later.

The Chairman: Order; it being five o'clock it is my duty, pursuant to section 3 of standing order 15, to rise, report progress and ask leave to sit again later this day or at the next sitting of the house, as the case may be.

Progress reported.

COMPANY DIRECTORS

BOARDS OF FEDERAL COMPANIES TO HAVE MAJORITY OF CANADIANS

Mr. E. J. Broome (Vancouver South) moved the second reading of Bill No. C-26, respecting company directors (directors' qualifications).

He said: Mr. Speaker, the purpose of this bill as given in the explanatory note is to require that all companies created by the parliament of Canada be managed by a majority of directors who are either Canadians or Canadian residents. When this bill was first introduced two sessions ago, the requirements of the bill were a great deal stiffer in that they called for directors who were Canadians. Hon. members will see, therefore, that this bill is not now as strict or as limited in its provisions as the one which was first introduced. Undoubtedly, other changes will be required. What I propose to do today, Mr. Speaker, is to give the reasons why I think this bill is both timely and urgent and to point out two areas in which it might be modified. I would suggest also to the house that if it meets with the approval of the house it might well be read a second time and then referred to the standing committee on banking and commerce.

I feel, for instance, it might be an advantage if the wording were changed to indicate that the majority of directors must be resident in Canada and that the majority of this majority must be outside directors; that is, directors who are not employees of the company. They could well have a financial interest in the company but would not directly be executives of the company concerned.

Another change which was suggested has to do with international, non-profit organizations such as governmental organizations. Hon. members will recall that recently the house approved a bill to incorporate the international brain research organization. Like other such international non-governmental organizations, the I.B.R.O. visualizes a governing board with directors from many countries.

A member of the press gallery has written an interesting doctoral dissertation entitled "Facilitation Problems of International Associations" in which he suggests Canada should do more to attract these organizations. I understand that currently the budgets of these organizations, as listed in the year book of international organizations, amounts to some $306 million. In addition, the total budgets of the intergovernmental organizations come to some $415 million. It will therefore be seen that the combined budgets of the international non-governmental organizations are actually bigger than those of the intergovernmental organizations.

At present Canada is host to very few of these organizations, though I might mention the international air transport association and, of course, the I.B.R.O. Naturally such organizations could not possibly be constituted with a majority of the board of directors being resident in Canada as these directors will be drawn from all over the world.

I should like to quote from an address given by the Prime Minister of Canada (Mr. Diefenbaker) at Dartmouth college on September 7, 1958. The Prime Minister said:

> There is an intangible sense of disquiet in Canada over the political implications of large-scale and continuing external ownership and control of Canadian industries . . . Canadians do not wish to have their economic, any more than their political, affairs determined outside Canada.

I have heard many hon. members on the treasury benches make statements in speeches which are very similar to this and which I believe echo the concern of the Canadian people. In a booklet "Foreign Investment in Canada" by J. M. Smith, published by the Canadian Institute of International Affairs, on page 11 is found a table entitled "Non-resident and United States ownership and control in selected industries, 1954".

This information is taken from the Canadian-United States economic relations committee, page 104, which was a study prepared for the royal commission on Canada's economic prospects. This table shows that the percentage of industry controlled outside of

this country in automobiles and parts is 95 per cent; in the rubber industry, 93 per cent; in electrical apparatus, 78 per cent; in chemicals, 75 per cent; in the petroleum industry, 70 per cent; in other mining, 57 per cent; pulp and paper, 56 per cent; smelting and refining of non-ferrous native ores, 55 per cent.

As hon. members know, the royal commission brought down its findings several years ago. This pamphlet goes on to state that the control and ownership, particularly in the petroleum industry, is undoubtedly much higher now than the figures given here.

In general, Mr. Speaker, one might say that we in Canada own and control the non-industrial spheres. We own the roads, hospitals, public buildings, houses and farms, but in our manufacturing industries and resource development industries we are at the best a very small minority participant.

This booklet refers to recommendations made by the royal commission on Canada's economic prospects and I should like to refer to these. They can be found on page 393 of the final report, where the commission, in discussing foreign investment in Canada, had three recommendations to make. Before making these recommendations they set out that it is important that Canada should not discourage foreign capital by unfair, discriminatory action and that the free movement of interest and dividends to foreign investors should not be interfered with by currency restrictions. I quote from page 393:

> We believe Canadians should have more tangible assurance than they now have that the people who are responsible for the management of such foreign-owned concerns will, whenever reasonably possible, make decisions that are in the best interests of Canada; that such concerns in effect become more "Canadian" in outlook. We do not suggest by this the development of a narrow nationalistic outlook; nor that the concerns in question should be restricted in their access to their parent companies and to all the benefits and advantages they obtain as a result. The following specific suggestions respecting desirable objectives for the operations of such foreign-owned concerns would not have these effects; we believe they would be of benefit to all concerned.

Then the commission makes the following recommendations:

> (1) wherever possible, such concerns should employ Canadians in senior management and technical positions, should retain Canadian engineering and other professional and service personnel, and should do their purchasing of supplies, materials and equipment in this country;
>
> (2) they should publish their financial statements and make full disclosure of the results of their Canadian operations;
>
> (3) they should include on their boards of directors a number of independent Canadians and they should sell an appreciable interest in their equity stock to Canadians.

The purpose of this bill has to do with one half of the commission's third recommendation. I have had other bills on the order paper. I had one bill on the order paper in regard to financial statements. I am pleased to say that the government has taken it up in the form of a government bill which is a much better bill than the one I proposed. I sincerely hope this particular bill will commend itself to this government.

Mr. Benidickson: Is the other bill going ahead this session?

Mr. Winch: Mr. Speaker, I rise on a point of order and ask that the house be physically counted for the purpose of ascertaining whether there is a quorum. I ask that the count not include hon. members coming in from behind the curtain.

I raised my point of order, sir, because at the moment I counted there were only 19 hon. members in the chamber. One or two have come in since.

Mr. Bell (Saint John-Albert): Mr. Speaker, I think the hon. member made a mistake. I distinctly thought there were 21 hon. members present.

Mr. Winch: I counted 19, but some have come in since.

Some hon. Members: No.

Mr. Speaker: Order. There appears to be no deficiency in the quorum at the present time.

Mr. Broome: The royal commission went on, on page 394, to deal—

Mr. Benidickson: Before the hon. member proceeds, may I comment on the fact that he made reference to the government bill and said he felt it was in some respects superior to his own bill. I wonder if the hon. member could inform the house whether or not the government bill with respect to the disclosure of financial status and so on will be proceeded with this session, because that might have some influence on our judgment with regard to the measure now under consideration.

Mr. Broome: I do not see that that matter is at all relevant. The fact that it is on the order paper is good enough for me.

Referring particularly to the third recommendation of the royal commission, the final report goes on to say, as reported on page 394:

> The third objective is that Canadian subsidiaries of foreign companies—particularly the larger, well established ones—should sell some part of their equity stock to Canadians and include a number of independent Canadians on their boards of directors. A number of companies have adopted this policy and have said that it has worked out well and to their advantage. Certainly we see no reason why, if the Canadians selected as directors

were able and conscientious men, the adoption of such a policy would not work out to everyone's advantage. In addition to the fact that the public would have some assurance that broad Canadian interest would not be lost sight of in the everyday discussion and decision of company policies, the companies in question would be better informed of Canadian views and attitudes. Both in the case of long range company planning and in decisions concerning day-to-day operations, such Canadian directors would not be likely to forget the broader interests of the nation.

Then the commission went on to say, as recorded on page 395:

The proposal that Canadian subsidiaries of foreign companies should appoint independent Canadians to their boards of directors and sell stock to Canadians is, of course, not a new one. But fewer companies than one might have expected have done anything about it. It seems to us that on the whole those Canadian subsidiaries of foreign companies which have adopted the policies we are suggesting have made a greater contribution to the Canadian economy in many ways than others that have not such policies. Those that have done so appear to be more interested and aggressive in developing their Canadian operations and to be more aware of Canadian problems and viewpoints. There is no way in which we can prove this general proposition scientifically—but it is a definite impression we have gained as a result of our travels, hearings and discussions.

Mr. McGee: Would the hon. member mind repeating the source from which he has just been reading?

Mr. Broome: I was reading from the final report of the royal commission on Canada's economic prospects.

Mr. Benidickson: Surely the Secretary of State is not leaving?

Mr. Broome: I should like, in setting out this ground work, to refer to an address by Mr. R. M. Fowler, president of the Canadian Pulp and Paper Association, at the annual luncheon of the association in Montreal on January 27, 1961 in the course of which he discussed Canadian-United States relations. He had this to say as reported on the last page of his speech under the heading "The Basic Philosophy":

In the current debate about the extensive investment by Americans in Canadian industry, the problem is usually broken down into a number of separate issues. It is suggested that financial statements should be published, that Canadians should have a chance to buy shares, that more Canadians should be employed in senior positions and more research should be done in this country. No doubt all these steps have some value in themselves, but in my opinion all could be taken by a company and the problem would remain unsolved. A subsidiary can sell stock to Canadians, can have Canadian personnel throughout, can give generously to charity and so on, but if most of the decisions are made back in the home office by men whose interest in the Canadian operation is not greater than, and often less than, their interest in a dozen similar operations throughout the world then that subsidiary is not being a fully Canadian corporate citizen. The first essential is de-centralized, autonomous Canadian management in the subsidiary.

I suggest that the views of a man with the international reputation of Mr. Fowler are well deserving of attention.

Again, in a speech to a seminar on Canada-United States relations at the university of British Columbia, Dr. John Davis, director of research for the British Columbia Electric Company, gave food for thought when he said that over half the profits of Canadian industry belong to non-residents, mostly Americans. That has nothing to do with the present bill, but Dr. Davis did go on to mention several complaints, one of which was the failure of United States subsidiary companies to appoint outside directors. He felt that Canadian industry could not operate and take its proper place in the economic life of this country unless there was a measure of control in the form of outside directors who could give to the parent company proper information and proper ideas as to how the operation of their companies could best be carried on in Canada.

I would refer also to the declaration of policy by the Canadian chamber of commerce for 1960 and 1961 as reported on page 39 where the following statement is made:

The Canadian chamber of commerce recognizes that a high rate of non-resident, long term, investment in Canada is essential to the continued development of our country's resource and manufacturing industries. However, it is concerned as to whether the non-resident owners are familiar, in all cases, with the principles underlying the Canadian point of view and thereby overlook or disregard legitimate Canadian interests.

Then follows the recommendation:

The Canadian chamber of commerce strongly suggests to the federal government, provincial chambers and non-resident owned businesses operating in Canada that it would be in the best interest of such companies to place or list their stock on the various Canadian stock exchanges, include independent Canadians on their boards of directors, employ Canadian citizens wherever possible, especially in managerial and technical positions; purchase their equipment, material and supplies locally when it is economical to do so, and publish separate financial statements on their Canadian operations.

A review by the Empire Trust Company of New York with regard to American capital and Canadian management, in queries to major United States corporations operating in this country found that those companies which had the most successful operation in general were the best citizens as far as the employment of Canadians, the appointment of Canadians on boards of directors, the publishing of financial statements and so on were concerned.

Perhaps the most recent publication is that put out by the Canadian-American committee and sponsored by the National Planning

Association of the United States and by the Private Planning Association of Canada. This booklet is entitled "Policies and Practices of United States subsidiaries in Canada." The authors of this booklet are Mr. John Lindeman and Professor Donald Armstrong. The former has had wide experience in the field of international economic affairs with the United States government and as a private economic consultant. He is the author of earlier studies on United States business performance abroad, published by the National Planning Association, and he is currently a partner in International Economic Consultants, Inc. in Washington, D.C. Professor Armstrong has had broad experience as an economic consultant in Canada and has recently been appointed director of the school of commerce at McGill University in Montreal.

At page 6 of this report the following statement appears:

> In the preparation of the report the staff has benefited greatly from the advice and collaboration of a large number of Canadians and Americans in many different organizations.

Chapter 4 of this book entitled "Canadianization of Personnel" deals with the subject matter of this bill. I will not read all the details found in that chapter but will refer only to the conclusion. The paragraph contained in the conclusions section deals with the suggestion that at professional and technical levels Canadians are discriminated against. That paragraph reads as follows:

> At the professional and technical levels Canadians already have an employment advantage over non-Canadians.

It shows that the record of subsidiaries in this regard is a very fine one. The paragraph includes the following statement:

> A case might be made, however, for transferring to Canada some of the technical and professional tasks now being performed by the parent in the United States on behalf of the subsidiaries.

This statement refers, of course, to work in the field of research. It also is suggested in these conclusions that of the companies considered it was found that in many cases the nominally titled president was a resident of Canada while the actual executive direction in respect of all routine matters came from United States headquarters of the parent company, and from individuals who held no titles at all in the Canadian subsidiary.

It is also pointed out that the degree of Canadianism of a company is dependent upon the strength of the executive team. If there is a strong executive team at the head of the company the company will be more Canadian than a company with a weak executive team at the head. It points out that if a parent company wants to make all of the decisions, almost invariably that company has a weak executive team.

In the conclusions at page 39 the following statement appears:

> With respect to executive positions, there is a discernible preference for Canadians to fill the jobs available in Canada. The degree of Canadianization of such jobs is probably much greater than the meagre statistics on this point would indicate. However, titles and the nationality of the officer holder have little meaning in themselves. The important thing is the amount of authority that goes along with the office. On this point the interviews showed considerable variation among the companies, a variation which apparently reflects home office attitudes that cannot be changed simply by replacing U.S. executives in Canada with Canadians.
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> As was the case with companies with Canadian equity participation in ownership, it was found that decision-making authority tends to be greater in Canada among the subsidiaries with outside Canadian directors. This is not surprising, because most of the companies with Canadian equity participation in ownership also have outside Canadian directors, and most companies with outside Canadian directors also have Canadian equity participation. Whether outside Canadian directors will necessarily and automatically produce more autonomy for the Canadian subsidiaries is perhaps an open question. Much will depend on the strength of the men selected. But it is at least possible to assert that companies which give their Canadian subsidiaries a relatively high degree of autonomy are more likely than other companies to recognize the business and public relations value of a functioning board of directors with broad Canadian representation.

I think I have proved the case that subsidiaries of foreign companies would find it profitable to have directors who are residents of Canada and that these directors should, in the main, be outside directors who are not employees of the company. It seems to me, in view of the fantastic ownership of our industries, as I have pointed out and supported with tables which I have quoted, that this scale of industrial set up is not to be managed at the level of an annual meeting or luncheon held in New York or some other United States city. Absentee ownership may not interfere with plant functioning, or the efficiency of a plant, but certainly lends itself to a foreign outlook on the part of the companies concerned. The executive of a foreign company is not always a policy making executive, and it is in the field of policy making that it is most important that we set up a financing board and a policy making board which will interpret Canadian aspirations and Canadian conditions for the owners in whatever land they may reside.

It is quite true that the industry in many ways is putting its own house in order, but why should a good company do this when a poor company is allowed to get away without doing it. I suggest in this field it is in

our national interest to set minimum qualifications regarding the operation of companies in the same manner as we have set qualifications governing many other spheres of activity. We should also have qualifications governing the policy making sphere because I feel we are entitled in this country to have the industries which are growing here, profiting from the use of our natural resources and profiting from our domestic markets with almost life and death power over the economy of many communities, obliged to appoint as the policy making heads individuals who live in this country and understand the conditions under which the company will operate.

When I introduced this bill I pointed out several areas where this idea might well be modified. However, I suggest the fundamental principle is such that no hon. member in this house can quarrel with it. The fundamental principle is right and just, and I commend it to all hon. members for consideration.

Mr. Benidickson: Mr. Speaker, before the hon. member concludes, I would like to pursue the question I raised earlier. The hon. member said he felt the government's Bill No. C-70, an act to provide for the furnishing of financial and other statistics relating to the affairs of corporations and labour unions carrying on activities within Canada, had merit beyond his own bill. The hon. member in making that statement undoubtedly felt that in considering this bill we would be concerned with the other bill. I should like to ask him if he shares my view, that Bill No. C-70 is in fact a phony bill and will not be proceeded with at this session?

Mr. Broome: Mr. Speaker, I was referring to my own bill regarding the publication of financial statements. My bill deals only with companies incorporated by act of parliament, and it was worded that way because of the existence of various provincial companies acts. However, Bill No. C-70 represents a different approach to the problem and has reference to all the companies in Canada which properly may be considered public companies but which through a quirk of the law are considered private companies by virtue of the provision of having 50 shareholders or less.

As has been pointed out by the hon. member, I spoke in the debate and gave instances of gigantic corporations in this country such as General Motors, Chrysler Corporation, Heinz, and there are dozens of others, which are classed as private companies in this country, but in their country of origin they are public companies. The characteristic of the parent descends to the child. If the parent is a public company, then the child should be a public company. This is what I said—

Mr. Benidickson: It is a phony.

Mr. Broome: It is not a phony, and I can tell the hon. member that he will certainly find this out. If he goes out on the hustings during the next election campaign he will find that he will not get very far with this kind of philosophy.

Mr. Harold E. Winch (Vancouver East): I assure you, sir, that I am not interested in a government or an opposition member fighting the next election. I do not very often agree in policy or politics with the hon. member for Vancouver South. Nevertheless, I believe that he should be thanked for his courage in proceeding with the bill before us because I believe it is in complete conformity with what we understood the government of Canada was going to do following the speech from the throne. It has not done it, but he has had the intestinal fortitude to follow through with a private member's bill. I was very sorry that the hon. member had to take half an hour to introduce the bill. I sincerely hope it will not be talked out because it was introduced by a backbencher on the government side of the house who is trying to put forward what we understood to be a principle of the Conservative party enunciated during the election campaign and in the speech from the throne itself.

This bill has only one major purpose in principle. Its purpose is to require that all companies created by the parliament of Canada after this legislation becomes law shall be managed by a majority of directors who are either Canadians or Canadian residents. That is an understandable thing. They must be either Canadians or Canadian residents. Therefore, Mr. Speaker, I have only one criticism of the bill as far as the explanatory note goes. I take exception to the words "Canadian residents". I wish the hon. member had said "Canadian citizens" because I know of many important companies in Canada—and a great many in British Columbia—the managers of which are Canadian residents but not Canadian citizens.

Mr. McGee: Will the hon. member permit a question?

Mr. Winch: In a moment. I know of major logging industries in British Columbia, the managers and directors of which have been residents of Canada for 30 years but never Canadian citizens. I think it is very important that these people should be Canadian citizens. The bill of the hon. member refers to "Canadian residents". I feel it is bad for a

manager of a company to be a resident of Canada for over 30 years but still remain a citizen of some other country.

Mr. McGee: Will the hon. member now permit a question?

Mr. Winch: I tell the hon. member I shall be glad to answer any question in a few moments. I say this because I do not want to see the bill talked out. This measure introduced by a private member covers in principle that which was promised in election campaigns and in the throne speech by the Conservatives. I wish to call to your attention, sir, that in the discussion of this important measure introduced by a staunch Conservative every minister who has anything to do with matters of this kind is absent from the House of Commons at this time.

Mr. Benidickson: They walked out after the hon. member started to speak.

Mr. Winch: I want to say that I completely support the principle of the bill.

Mr. Speaker: Order. If hon. members wish to carry on private conversations they had better go out in the lobby.

Mr. Winch: That is where they were half an hour ago when only 19 members were in the house. They came in fast then.

I agree in principle with what the hon. member for Vancouver South is trying to do by a private bill, namely to overcome the fallacies and the dereliction of the government in so far as the speech from the throne is concerned. I sincerely hope that the bill will be passed. I do hope that when we reach the committee stage, if we do, the term "Canadian resident" will be changed to "Canadian citizen".

Mr. Frank McGee (York-Scarborough): Mr. Speaker, before I proceed to discuss the bill in question I propose to put in another form the question I was going to put to the hon. member who preceded me and say that in connection with this question of Canadian residence, I am sure the hon. member would not want to penalize some person who had come to Canada and was in the process of becoming a Canadian citizen.

Mr. Winch: What is the question the hon. member was going to ask?

Mr. McGee: Would the hon. member not agree with me that by making the change he suggested he may be penalizing a person by insisting that he become a Canadian citizen before he could qualify as a director under this legislation? This would in fact be penalizing a person who had come to Canada and was in the process of becoming a citizen but was not yet a citizen.

The hon. member spent a great deal of his time in being out of order, it seems to me, as was the hon. member for Kenora-Rainy River (Mr. Benidickson). I can hardly conceive that discussion of the business of the house and government business is in order in debating a private member's bill.

If the hon. member for Kenora-Rainy River wishes to find out such information it seems to me there is a proper place for such comment. The hon. member for Vancouver East made much of the number of members in the house a while ago. In view of the fact that he raised this issue I think I might say that he was the only member of his party in the house at the time. Perhaps he was using this method to point out the errors of some of his colleagues and perhaps I had better leave it at that.

I should like to congratulate the hon. member who introduced this bill. It seems to me he was far too modest in respect to the influence that the discussion of private members' bills on this and other subjects some years ago had on subsequent government policy and government bills. I think he made a most profound impression on the house previously, and inevitably on government policy itself.

The statement is made occasionally when discussions revolve around bills such as this and other measures that by bringing up matters such as this and by pointing to dominant United States ownership of Canadian industries somehow it adds up to anti-Americanism. I think the people who hold this view concerning such matters are exaggerating. The obvious answer—and the answer has been given by other people—is that this is by no means anti-American but by all means pro-Canadian. It seems to me that nothing but good can evolve from discussions that remind us individually and as a nation of the state of affairs in terms of foreign ownership and control, and if no other function is served than to caution us with respect to where these trends are leading us, such discussions perform a very useful function indeed. I was impressed by the statement that the hon. member read from the report of the royal commission on Canada's economic prospects, particularly the fact that it was noted that where firms had already in fact implemented policies in the pattern of their directorates which would qualify under this bill the results have been very beneficial indeed.

There is one aspect of the problem on which I wish the hon. member had perhaps spent a little more time, and I recall this criticism being raised when the bill was first discussed two years ago. I refer to the assertion, and to be fair I must say he did touch on one

aspect, that if such a bill became law it would create a class of professional directors or in a sense a group of front men qualifying according to the letter of the law but clearly avoiding the spirit of the law. Certainly this point deserves some attention. This aspect of the problem is perhaps superficial but I think it could and should be answered more clearly.

This bill and other bills and resolutions introduced by the sponsor of this measure focus attention on what has to be the utimate solution, namely, that Canadians are going to have to lose some of their investing conservatism and take a more aggressive interest in purchasing equity stock and participating through measures such as this and others. This is not an easy road and the investing habits of Canadians cannot be expected to change overnight. However, I feel that discussion and debate of matters such as this should be very much encouraged as they will ultimately benefit Canada. I should like to conclude by congratulating the hon. member and by wishing him well with this bill.

Mr. Douglas Jung (Vancouver Centre): Mr. Speaker, may I also take a minute or two of the time of the house to congratulate the hon. member for Vancouver South (Mr. Broome) on the introduction of this bill. Those of us who know him well, and I consider myself one of such persons, know the study he has put into this subject and into all other subjects on which he speaks, and I am delighted to be able to support the principle of the bill.

Mr. Broome: Say more. Keep that up.

Mr. Jung: I agree with everything the hon. member has said but I think he should have gone further and included in his remarks the desirability of setting up citizenship qualifications for directors of labour unions in Canada. Labour unions, with their very large membership, are comparable in size and activities to industrial corporations, and their activities certainly have a great influence on the Canadian economy. Because the activities of Canadian unions have a direct bearing on the Canadian economy I think that the hon. member for Vancouver South should have included the directors of national labour unions in his bill.

As an example, consideration might have been given to the influence which union officials of another country have in directing strike activities in Canada. All I can say at this time is that if we must have strikes let them at least be directed by Canadians. I say no more because I know I am already imposing on the house and its generosity by introducing a subject outside the scope of the present bill. I simply conclude by saying that I appreciate the remarks of the hon. member for Vancouver East (Mr. Winch) when he said that citizenship qualification was a very desirable thing to have in the case of corporations.

Mr. M. D. Morton (Davenport): Mr. Speaker, the hon. member for Vancouver East (Mr. Winch) made some reference to the promise in the speech from the throne of a bill similar to that now introduced by the hon. member for Vancouver South (Mr. Broome). The only reference I see in the speech from the throne reads as follows:

> You will be invited to consider means by which to encourage a greater participation by Canadians in the ownership and control of industry and resources in Canada. You will be asked to approve legislation requiring the disclosure of information by business and labour organizations in Canada controlled from outside Canada.

Certainly it is the policy and the declared intention of the government to provide greater opportunities for the control of industry developed in Canada and companies operating in Canada. But the problem before us today and the motives which prompted the hon. member for Vancouver South in bringing this measure before us are found in the natural desire of Canadians to have the greatest possible control of our own assets as they are developed. The problem that arises is to what extent can we control the development of our assets by foreign investors without discouraging the foreign investment that is necessary for the development of the country.

Mr. Regier: Is it necessary?

Mr. Morton: I think that is a matter of opinion. The hon. member speaks as if it is not. I think there is plenty of evidence to show that we have not got sufficient money of our own to develop the country as quickly as it should be developed. I know that the hon. member has the authority of no less a person than the governor of the Bank of Canada who said in a recent speech before the Canadian chamber of commerce:

> ... we are now at one more of the critical crossroads in our history, perhaps the most critical of all, when economic developments and preoccupation with economic doctrines of an earlier year are pushing us down the road that leads to loss of any effective power to be masters in our own household and ultimate absorption in and by another.

I think that expresses the fear of many Canadians at this stage in our development. On the other hand, I have in my hand an article written by Professor James V. Poapst, professor of finance at the university of Toronto, which appeared in the December, 1960, issue of the Canadian magazine known as *The Executive*. He attempts to answer Mr.

Coyne's statement. The professor does not disagree with the desire and need of Canadians to take control gradually of their own resources and their development but in a very thought-provoking article he does warn us against haste in our nationalistic pride and desire to take over control lest we frighten away the foreign capital that is necessary in the meantime. He points out that discriminatory legislation seriously deters future growth when that growth would require large capital imports to finance it. Then, he goes on to say:

> Let's not panic over foreign investment. If it does in fact create a problem, let's try a positive approach to its solution.

I think perhaps the suggestion of the hon. member for Vancouver South is one for safeguarding this control. Whether or not it is timely, I feel, is a matter that has to be seriously considered. Professor Poapst said this:

> In companies controlled by foreign investors, they decide whether Canadians are to be admitted as shareholders, participate in management, whether the company will undertake research in Canada, what products it will develop, where it will buy and sell, the prices it will charge, whether it will expand or contract. It is foreign control over decisions such as these that creates concern over "loss of autonomy", the greatest cause of concern over foreign investment. We are too sensitive about autonomy, inclined to think that any loss of it is bad. Yet complete autonomy requires economic self-sufficiency. Economic development based on specialization and trade involves the continued reduction of economic autonomy to acquire greater freedom from want. We should not try to avoid all possible reductions in autonomy but, rather, try to avoid any reductions that are not worth while. Canadians have benefited enormously from foreign investment. We lose sight of this when we become concerned with various aspects of autonomy.

Then, he goes on to say:

> How significant is the fact that Canadian equity investors are excluded from many foreign owned companies? It is participation in total disbursements, not participation in distribution of profits alone, that is important. Obviously foreign companies pay wages to and buy goods and services from Canadians. Nor in an era in which about one half of net earnings are paid out in profits taxes can it be said that Canadians do not participate in the profits of foreign companies. Here taxation, which when applied to ourselves is described as punitive, is levied for our benefit. The number of individuals who would benefit directly from access to the shares of more foreign controlled companies is not large. While individuals are the major shareholders in Canada, share investment is narrowly concentrated among them. Institutional investment in shares is quite limited. Access to shares of foreign controlled companies could reduce the supply of equity funds for Canadian controlled companies. Finally, as it is, not all foreign controlled companies exclude Canadian shareholders.

Then, the professor goes on to say:

> When a country commences to discriminate against foreign investors, these investors can be expected to re-assess it as an outlet for further investment. This is not to argue that we must never discriminate against foreign capital.

Then, he says further:

> There have been complaints that foreign companies do not give Canadians sufficient place in management. We lack comprehensive information on the distribution of management in these companies but in the study Canada-U.S. Economic Relations Gordon commission scholars, Irving Brecher and S. S. Reisman, reported on an examination of a sizable number of the larger ones. They found "overwhelming evidence of widespread participation by Canadians in the management of large foreign controlled companies". Also noted was an evolutionary process respecting the nationality of the managements. Foreigners who held senior positions initially tended to be replaced by Canadians as the latter became trained or otherwise acquired sufficient skill to do the job. Is nationality apt to override ability in the choice of management in companies where profits and not chauvinism guides decision-making?

I pointed out this aspect of it, not in opposition to the principle advocated by the hon. member for Vancouver South but because we know that during these days there is great evidence in all countries of a desire to control and benefit from their natural resources. I think perhaps the same situation prevails, to some extent, in the South American countries. Some of them have taken perhaps more stringent legislative steps to control their assets than we have. Perhaps that is why some of them have been slower in their development than we have. Yet, I feel it is timely for us, as Canadians, to examine the control that should be exercised over the development of assets of our country, and the legislative means that could give us that control without discouraging entirely the foreign capital that is desired.

Mr. Winch: Would the hon. member allow a question?

Mr. Morton: Yes.

Mr. Winch: Would he allow this bill to come to a vote?

Mr. Morton: Now, the hon. member wants to put the responsibility on me for allowing this measure to come to a vote. I understand there are two or three other members who want to speak on it. In addition, as the hon. member knows, the primary purpose is not the adoption of the bill but the opportunity for private members to express their views so that those views can be considered by the government and others in the country. Then, if we can come to a solution that is satisfactory to all Canadians, legislative steps can be taken. I am afraid if we held snap votes on all these measures we would not come to decisions which would be in the best interests of the country.

BUSINESS OF THE HOUSE

Mr. Pickersgill: I wonder if the acting house leader would let us know what is to happen tomorrow and perhaps he could tell us something about next week.

Mr. Nowlan: Tomorrow, we will go on with estimates. We will be taking up the estimates of the Department of Transport tomorrow. If we finish those tomorrow, we will then go on with the estimates of the Department of Justice. On Monday and Tuesday, we will be dealing with legislative matters. The first matter to be considered is order No. 4 on today's order paper, an amendment to the Criminal Code in respect of race meetings. I would assume that bill would not take too much time. Following that, we would deal with No. 6 on today's order paper, the setting up of the sessional committee on railways, air lines and shipping.

Having concluded the debate on that, we will take up item No. 8 on today's order paper concerning the Freight Rates Reduction Act. Having concluded that, we will then take up item No. 5 on today's order paper, the introduction of a measure to amend the Canadian National Railways Act with regard to the board of directors. If we conclude all of this before Tuesday evening, which I hope we will, we will then proceed with resolutions Nos. 9 and 10 on today's order paper. On Wednesday—

Mr. Pickersgill: Perhaps the minister would just indicate the names of those because the order numbers would not be the same next week.

Mr. Nowlan: Order No. 9 is the resolution with respect to the Farm Improvement Loans Act in the name of the Minister of Finance and No. 10 is the resolution respecting the War Veterans Allowance Act in the name of the Minister of Veterans Affairs.

On Wednesday, we will return to the consideration of estimates. I would prefer not to designate the departments tonight. I understand my colleague the Minister of Fisheries did not finish his estimates and I would assume we would go on with his department on Wednesday. However, we will deal with that later.

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

HOUSE OF COMMONS

Saturday, May 13, 1961

The house met at 11 a.m.

WATER RESOURCES

REPRESENTATIONS BY U.S. RESPECTING DIVERSION FROM HUDSON BAY

On the orders of the day:

Hon. Lionel Chevrier (Laurier): Mr. Speaker, I should like to direct a question to the Prime Minister in his capacity as Secretary of State for External Affairs, and ask him whether representations have been made to Canada by the United States state department in connection with the water levels of the great lakes, and with particular reference to a diversion out of the Hudson bay watershed to the great lakes. If that is so, could the Prime Minister tell us the nature of the representations?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Chairman, the hon. gentleman gave me notice of this question a few moments ago, and I have endeavoured to secure the latest information. As of yesterday no representations had been received on this matter from the state department. I should add that from time to time various proposals have been made for a diversion of water from the Hudson bay watershed to permit an additional diversion at Chicago, but as far as this government is concerned it stands unalterably opposed to any further diversion of water at the request of Chicago.

EXTERNAL AFFAIRS

CUBA—REPORTED STATEMENT IN OSLO BY EXTERNAL AFFAIRS MINISTER

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I should like to address a question to the Prime Minister. In view of official United States reaction to a statement our Secretary of State for External Affairs is alleged to have made, in which he offered to mediate differences between the United States and Cuba, could the Prime Minister report to the house what the Secretary of State for External Affairs actually said?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I have not as yet been able to secure any statement that was made by the Secretary of State for External Affairs that would bear out the press references. However, on his return to Ottawa he will be able to go into some detail in this connection. Suffice it to say that naturally the Canadian government is always ready to discuss with American states those things that can be of help, with a view to the attainment of good relations among the nations of the western hemisphere. In saying that, I would emphasize that in my opinion there is no justification for any suggestion in the press to the effect that mediation was discussed.

COAL

CAPE BRETON—REQUEST FOR REPORT ON OTTAWA MEETING

On the orders of the day:

Mr. H. J. Robichaud (Gloucester): Mr. Speaker, I should like to direct a question to the Minister of Mines and Technical Surveys. Is the minister in a position to report to the house on the meeting held yesterday in Ottawa to discuss the coal problem of Cape Breton? Also, is he in a position to assure the house that action will be taken to avert the closures announced for the coming week?

(Translation):

Hon. Paul Comtois (Minister of Mines and Technical Surveys): Mr. Speaker, a meeting was in fact held yesterday afternoon under the chairmanship of the mayor of Glace Bay, Mr. Macdonald. The group included about twenty people from various sections in the vicinity of the mines in question, that is to say mines No. 4, Caledonia, Lawrence, and No. 16, as the house knows.

The discussion, which dealt with the various points submitted by the parties concerned, was quite friendly, and opinions were exchanged freely. The ministers present were my colleagues the ministers of national revenue, labour, and forestry, as well as myself. We listened carefully to the various points of view that were expressed.

However, in view of the official meeting with the premier of Nova Scotia, which is scheduled for next Monday in Ottawa, I do not think it would be wise to make any further comments at this time. After that

meeting it will probably be in order to issue a statement as to the decision taken and where the matter stands.

(Text):

HEALTH AND WELFARE

STATEMENT ON DISTRIBUTION OF SPEECH BY MINISTER

On the orders of the day:

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, yesterday the hon. member for Port Arthur asked me about the distribution of a certain recent speech of mine. I find that in my absence from Ottawa the channels used were those normally involved when I am dealing with a strictly departmental subject. I have given instructions that the oversight should not in future be repeated.

Mr. Pickersgill: How do you repeat an oversight?

Mr. D. M. Fisher (Port Arthur): Will the minister consider making some apology for some of the slurs that were in the speech circulated by his government or departmental staff, as distinct from whatever political staff or staffs he may have?

NATIONAL REVENUE

STATEMENT ON SEIZURE OF PENGUIN PUBLICATIONS

On the orders of the day:

Hon. George C. Nowlan (Minister of National Revenue): Yesterday the hon. member for Port Arthur asked me a question with respect to the seizure or delay of certain books by officials of the Department of National Revenue. I knew nothing about the matter. I made inquiries and found that those books had been delayed some considerable time ago and were subsequently released without the matter being referred to Ottawa.

GRAIN

MANITOBA—REQUEST FOR COMPARISON OF DELIVERY QUOTAS

On the orders of the day:

Mr. Nicholas Mandziuk (Marquette): May I address a question to the Minister of Agriculture. My question arises out of some anxiety expressed by Manitoba farmers that their delivery quotas authorized by the wheat board will be lower than those of Saskatchewan and Alberta. Can the minister give the house an up to date report on delivery quotas in Manitoba and how they compare with those of the other two provinces?

[Mr. Comtois.]

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, I have not my documents on this subject with me this morning. I shall be glad to take the question as notice and give an answer as soon as possible.

INDUSTRY

SHIP OPERATING AND SHIPBUILDING—REQUEST FOR HIGHER SUBSIDIES TO WEST COAST SHIPYARDS

On the orders of the day:

Mr. Frank Howard (Skeena): I should like to address a question to the Minister of Transport based upon the announcement yesterday about shipbuilding subsidies. Because eastern shipyards have a price advantage over the west coast yards owing to such things as the proximity of steel supplies and transportation, can the minister indicate whether any consideration was given to allowing a higher subsidy on ships built in west coast yards in order that they may be in an equally competitive position with eastern yards?

Hon. Leon Balcer (Minister of Transport): The answer is no, Mr. Speaker.

THE CENSUS

VANCOUVER CENTRE—QUALIFICATIONS OF COMMISSIONER

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Minister of Trade and Commerce based on a telephone call from a person of great rectitude who is interested in public life and is not a supporter of this party. In view of the minister's statements in the house on April 12 and April 19 that candidates for the position of census commissioner had to meet certain high qualifications, and that his department would select only the very best persons available in each area to carry out this important and exacting operation; and in view of the appointment of Mr. Frank E. Smith as census commissioner for the riding of Vancouver Centre, will the minister assure the house that this person's background and experience meet the high qualifications which the minister has informed the house are necessary for this appointment?

Hon. George H. Hees (Minister of Trade and Commerce): Mr. Speaker, I do not know Mr. Frank E. Smith personally and I am not aware of his qualifications. The qualifications that I outlined in the house on several occasions are those that are supposed to be adhered to in the choosing of census commissioners. I will have inquiries made as to

the qualifications of this particular gentleman and will be glad to inform the hon. member when I have done so.

SUPPLY

The house in committee of supply, Mr. Flynn in the chair.

DEPARTMENT OF TRANSPORT

402. Departmental administration, $3,395,700.

Hon. Leon Balcer (Minister of Transport): Mr. Chairman, in that part of the blue book of estimates entitled "Transport" there are several dozen votes, together with three or four items authorized by statute, pertaining to the Department of Transport and several other government agencies which report to parliament. A quick glance at the bottom of page 82 will show that these appropriations total $287,468,802.

The first allotment to which I will direct the attention of the committee is vote 404, aids to navigation, construction, to be found on page 75. This vote is up by approximately 70 per cent. A large expenditure is associated with construction of our new marine agency depot at Charlottetown. This project, begun in 1958, requires several years for completion. The Department of Public Works administers this type of construction for us; and we are providing $500,000 for wharf construction.

Another work of a similar type will be completed this year at Saint John, New Brunswick. There we must spend $250,000 to wind up construction of the agency complex which we began four years ago. We will also embark on a wharf extension project at Dartmouth, Nova Scotia. The $200,000 which the Department of Public Works expects to spend on our behalf represents the first portion of an outlay of some $2,200,000.

Erection of lighthouse piers will be pushed ahead in line with our program for installation of the most modern aids for the assistance of shipping. One of these items alone, the light station at Prince shoal in the St. Lawrence river, represents the largest single outlay in the appropriation, namely $700,000. Facilities at our Quebec city agency will be improved at a cost of $250,000.

There is another proposal related to the trend toward modernization. Many of our light stations are isolated, and the attendants and their families are cut off from contact with other people. When weather conditions are particularly bad the delivery of supplies or the evacuation of sick persons cannot be performed. With a view to lessening the hardships on these employees we propose to construct helicopter landing platforms at several stations this year. If this experiment proves successful it will, of course, be extended to many other locations.

Increased shipping activity from the seaway is reflected in the decision to construct modern type establishments at Prescott, Ontario, to replace the structure destroyed by fire last year and other obsolete facilities. The overall cost of that work will be $1.5 million. Among the many other specific points at which major works will be performed are Victoria and Prince Rupert, British Columbia, and St. John's, Newfoundland.

Despite its very short existence, the St. Lawrence seaway has already resulted in a very definite—

Mr. Pickersgill: On a point of order, Mr. Chairman, I wonder if we could have a little more quiet in the committee so that those of us who want to follow what the minister is saying can do so.

The Chairman: I agree with the hon. member. I think private conversation should be continued in a much quieter tone.

Mr. Balcer: This very definite trend about which I was speaking is borne out quite conclusively by an examination of the annual reports of the seaway authority and the national harbours board. Both agencies have reported the movement and handling of more cargo by fewer but larger ships. Quite clearly this emphasizes the urgency of maintaining and improving shipping channels in the St. Lawrence and Saguenay rivers. With this in mind we are planning to construct and operate, at a cost of some $350,000, a hydraulic model of the river section below Montreal.

The long term capital dredging program, begun five years ago, for widening critical sections and deepening other areas in the ship channel will be advanced considerably with the expenditure of some $3¼ million.

The summarized detail in the estimates book discloses that total moneys proposed with respect to our marine services aggregate something over $63 million. That figure represents an increase of 24 per cent over the related total for 1960-61. I think I should, therefore, explain the reason for this.

The recommended programs for aids to navigation and ship channel work, to which I have already referred, account for about $4 million of the increase. The largest single appropriation is that operation and maintenance of the Canadian marine service, our departmental fleet. Here we will be holding to an outlay almost identical with last year's appropriation. The $18.8 million we have allotted pertains to expenditures associated with design of new vessels, as well as refit,

conversion, repairs and operation of our fleet of icebreakers, supply and buoy vessels, weather ships and northern service vessels.

Next in order of size is the vote for construction or acquisition, for which $15.5 million is provided. This vote shows the largest increase percentagewise of our 40-odd departmental appropriations. During the past year our ship construction program levelled off very appreciably. We were then witnessing completion of numerous large units. Apart from this, our ship construction organization was engaged in the preparation of plans and specifications for additional ships. That planning has now progressed to the point where we are able to embark on actual construction. To illustrate this aspect of the proposed program set out in this appropriation, let me point out that approximately $11 million is labeled for additional vessels.

I shall give a rundown on the larger projects. There is first a triple screw icebreaker, similar in type to the *John A. Macdonald* which entered service last year. It is hoped to commence construction some time this fall, with completion billed for the fall of 1964. Included in the proposed new starts is one unit which will differ somewhat in type and function from any of our existing vessels. I am sure all members of this committee are aware of the publicity given to breaks occurring in trans-Atlantic cables fanning out from our shores. This has been a matter of some concern to the government, for the loss of revenue resulting from so much as one day's interruption in service is very appreciable. In addition, it is a fact that there is a very decided shortage of cable repair ships, and this country must depend on other nations for assistance. It is proposed, therefore, to construct a dual type unit suitable for cable repair work and for icebreaking. When not engaged on the former work, this ship will be used on normal departmental tasks. The total cost may go as high as $7.5 million, and we have included approximately $2 million for the initial construction work.

For the past 10 years the department has operated, under international agreement, two weather ships in the Pacific ocean. After careful consideration extending over the past couple of years, it has been decided we should take action to replace the two ships. This decision is based on two factors. The ships are wartime frigates of the R.C.N. converted for this particular assignment, and maintenance costs have become excessive. Furthermore, a broadened demand for scientific data tends to make the ships quite unsuitable. The two new ships will cost some $8 million each. The department is now conferring with other departments to determine suitability of design. This is not an easy matter to resolve, because the ships must serve such diversified requirements as meteorology, oceanography, hydrography, search and rescue, aircraft guidance, etc. Subject to settlement of the design feature, we plan on getting construction under way in the latter part of this year.

During the past few years my predecessor in office has kept hon. members informed of the very heavy work load we have assumed regarding transportation of cargo to the far north in support of domestic and international activities, both civil and military. Each succeeding year our techniques are being improved upon, so much so that the hazardous assignment of a few years ago has become somewhat routine today. Despite this transition, however, the operation continues to be one which imposes rigorous working conditions for our personnel. It is for this reason that we have included in our program an item of $1.5 million for a depot ship which will provide living accommodation for stevedores.

I am sure that representatives of east and west coast areas will be specially interested in another part of our shipbuilding program. Announcement was made in 1960 of the government's intention to improve our marine search and rescue operations as well as safety practices among shipping operators. In line with that decision we intend to provide, at a cost of some $4 million, eight high speed cutters—five large and three small—which will operate on both coasts and in the great lakes. Barring any unforeseen delay we should have these cutters ready in the summer or autumn of 1962.

The 1961-62 vote bearing No. 413 should be explained inasmuch as it appears to be approximately five times the last appropriation. Actually this vote is a consolidation of two or three appropriations appearing separately in past years. This has resulted from a reorganization of the establishment which links together pilotage, steamship inspection and marine reporting service. Apart from that, a few large construction projects are contemplated. Present temporary accommodation for the pilotage station at Les Escoumains, Quebec, will be replaced by a new station at Anse aux Basques, at a cost of $750,000. The Department of Public Works will construct for us at Clarenville, Newfoundland, a marine haul-out and a fitting-out wharf. Vote 413 contains $400,000 for these facilities, which will permit the inspection and repair of ships of up to 500 tons capacity. Another proposal related to improvement of the pilotage service rendered to shipping involves an expenditure of some $900,000 to replace obsolete pilot boats at Sydney, Halifax, Saint John, New Brunswick, and Vancouver.

Grouped together in the blue book under the heading "Railway and Steamship Services" there are 12 votes totalling $32 million plus, a slight increase over last year's figure. I shall comment very briefly on the larger of the individual changes. Moneys required for the auto-ferry vessel for the Prince Edward Island car ferry service are considerably less; the ship will be completed in the latter part of this year. The item for improvements to the terminal at North Sydney is likewise decreased by approximately $400,000, and for the same reason. The project related to additional railway trackage undertaken last summer is now finished.

We find it necessary to increase by $1,175,000 the allowance for the anticipated deficit in operation of the Newfoundland ferry services and terminals. The Canadian National Railways, who operate the service on behalf of the government, anticipate a slight increase in revenue, but operating expenses are expected to be a good deal higher.

The blue book comparison also indicates a sizeable increment in the deficit for the Prince Edward Island ferry service. The increase shown is $546,000. This is to a certain extent misleading, because subsequent to the preparation of these estimates a final supplementary vote increased the 1960-61 appropriation by $322,000. Thus the expected net increase for 1961-62 is $224,000.

Last year parliament approved an expenditure of $325,000 for improvements to the Cape Tormentine terminal of the Prince Edward Island ferry service. This work was necessary to permit efficient use of the vessels now operated. With the commissioning of the new ship to which I referred just now a total of four ships will be operating during the peak traffic season. Since this will overtax the facilities at Borden, it is proposed, therefore, to build a new ferry dock there at a cost of $980,000.

The lengthy, diversified list of services, programs, functions and responsibilities which are grouped together under the air services of my department accounts for some $155 million of the total funds we are asking parliament to provide. In relation to the main estimates for the last fiscal year, this proposed total outlay means an increase of some $15 million. This is, of course, indicative of the ever expanding requirements we must expect in our efforts to cope with the trend toward travel by air.

Just to demonstrate the tremendous growth in this area of public expenditure, let me point out that funds voted ten years ago, that is for 1951-52, amounted to $39 million. Other illustrations of this growth factor are easy to find in any study of this area. In the same decade the number of Canadian civil aircraft licensed has multiplied; it was 1,960 aircraft at the end of 1950 and is now 5,400. Examination of personnel licensing records disclosed an almost identical rate of growth. We find that for each type of licensing there is a remarkably consistent increase of 15 per cent each year.

Let me mention here some significant detail on the traffic side of the picture. Whereas in 1950 our Canadian operators carried slightly more than 1 million passengers, in 1959 they transported close to 5 million. Carriage of goods showed a fourfold increase.

To compound the problems presented by this growing acceptance of air travel we now have the demands of the jet age. The noise level and greater space requirements are, in many instances, forcing design changes in airport construction. Runways have to be lengthened and strengthened, greater allowances are required for apron and hangar space and fuel storage. Location of airports in turn demands innovations to speed up refuelling, loading, unloading and shortening of taxiing distances; otherwise the advantage of speed will be lost. The more critical performance standards of jet aircraft demand other requirements as well. A good example is the more sophisticated traffic control services and the growing acceptance of some element of automation.

Proper administration of the numerous programs planned for the meteorological, telecommunications and civil aviation branches during the next year will most certainly make for a heavy work load, so much so that we must seek approval for a staff increase of 243 positions. This augmented staff will total 9,809 positions.

I do not intend to try to spell out in any great detail the many constituent parts of the various proposed activities. To do so I would be obliged to deal with a number of separate divisions, each of which in turn has a variety of activities, such as construction, operation, regulation, etc. I shall therefore attempt to single out particular items which I believe will be of greatest interest to the members of this committee.

The very large sum of $60,900,000 is set down for all types of construction related to airports, whether this be terminal buildings, runways, service buildings, taxiways, parking aprons, approach lighting, power plants, seaplane docks, water or sewage services. Within the last few years increasing emphasis has been given to the establishment of a series of modern air terminal buildings which will soon extend the length of our trans-Canada airway. In 1930 we saw that objective brought much closer with completion of our terminals at Montreal, Regina, Halifax and Ottawa. Very substantial progress likewise

was made on the structures at Edmonton, Winnipeg and Toronto. For these latter three projects alone the sum of $20.5 million is provided in these estimates. Numerous other points should witness air terminal building construction this year, for example North Bay, Sault Ste. Marie, Port Hardy, Victoria, Fort McMurray, and Prince Rupert and Penticton. Some of these are projects we had, in fact, planned to start last year, but changes in requirements and internal reallocations of funds have led us to institute revised planning.

A significant change appears in the two appropriations related to both the operation and the construction of radio aids for air and marine navigation, and again the change is upward. I refer to the two allotments on page 80 of the estimates book, which total some $33 million. The programs envisaged here do not lend themselves to ready explanation. One reason for this is the technical nature of the work. Then, too, the various systems of communication facilities are so dispersed that one cannot pinpoint expenditures by specific locations.

I would, however, like to apprise this committee of one particular assignment to be added to the work of this section of the department this year. This is the operation of four chains of DECCA navigator stations, a task heretofore performed for us by a commercial agency.

Mr. Chevrier: What is the name of the stations?

Mr. Balcer: DECCA navigator stations. We must augment the personnel establishment by 70 positions for this reason. These marine navigation aids will greatly assist shipping in the waters off Newfoundland and Nova Scotia, as well as in the lower St. Lawrence and upper gulf areas.

In this same field of communications the pressure of constantly expanding and changing air traffic patterns is very evident. We plan to expend some $400,000 for the first stage of a program to cost well over $1 million, pertaining to acquisition of radar to television scan conversion systems. These ingenious devices convert normal radar signals to ones suitable for operating a standard television type display. Again, in the matter of radar, we are providing a small sum to enable a start on a $2½ million project related to secondary radar.

Perhaps a word of explanation of this secondary radar would be helpful. Radar systems now in use are called primary radar. They depend on some of the transmitted radar energy being reflected back from the aircraft to the control station. Considerable refinement is possible through the use of secondary radar. The latter involves the fitting of an aircraft with a small beacon, which sends a signal whenever the radar beam strikes it. The display shows only objects thus fitted, and the signals can be coded. In brief, this system enables easier identification of aircraft and a clearer picture of their positions.

Before turning to other matters I should like to refer to the disposal to private enterprise, during the last year, of virtually the last segments of the government telegraph and telephone service, namely those on the Magdalen islands and in Cape Breton. I do so in order to pay tribute to the people who, down through the years, have worked so hard to bring public communications to those areas served by this historic service. It is to their credit that the services were developed one by one to the point where they could be absorbed into the responsibilities of the regular communications agencies providing public service.

As usual there are two appropriations this year to cover the requirements of the meteorological branch of the department. The main estimates last year provided a total of slightly over $17 million for the services performed by that unit of the department; for the coming fiscal year we are estimating a figure approaching $19 million. The program pertaining to the various individual types of services which our meteorological experts have formulated for the assistance of aviation, shipping, the defence forces, government agencies, the general public, etc., will not differ appreciably from those performed in 1960-61.

One special item I have singled out for attention is an item of $25,000 to cover grants in aid of meteorological research in Canadian universities. The proposed outlay is quite small, but we attach considerable importance to it. Meteorology is a scientific endeavour wherein much has been accomplished in a short time. Nevertheless the potential regarding acquisition of further knowledge and greater refinement is enormous; consequently the area of research is important. It is our earnest hope that this assistance will stimulate the recruiting of university graduates for employment in our meteorological service and also encourage a broadening of research in Canadian universities. A further innovation with the same objective calls for the hiring of some 50 summer students. These are undergraduates of universities across the country, and they have been selected because their scholastic endeavours in mathematics and physics provide the basic training of the meteorologist.

Another commencement item, if I may call it that, relates to weather surveillance radar.

This is a program designed to observe weather phenomena over a wide area. Such expansion will enable forecast offices to provide to heavily populated centres more precise and more accurate warning of the onset of adverse weather.

Mr. Chairman, this concludes my over-all statement on the estimates now before this committee for examination. Admittedly it has been a brief statement but, faced with such a variety of individual programs related to practically every section of the country, it is difficult to select those items of particular interest to hon. members. Then too, if time permitted I would have liked to deal with activities proposed by such agencies as the national harbours board, the St. Lawrence seaway authority and others. However, I presume hon. members will have a few questions to direct to me when specific votes are reached. Let me assure them I shall do my best to meet their wishes.

Mr. Chevrier: Mr. Chairman, the committee is grateful to the minister for the very comprehensive statement he has just given us, breaking down the various items of his department into a number of divisions which will enable us to consider these estimates with greater clarity than we otherwise could. I have some comments I should like to make regarding these divisions of his department, and I shall make them as I go along.

First, I should like to reiterate my congratulations to the minister on his appointment to what I have always considered the finest and best department in the government service. I have no hesitation in adding to that my best wishes to the minister for a happy but short tenure of office.

My first suggestion is one which may not meet with the approval of the minister but which I feel should commend itself to the consideration of a government that intends to deal with this huge department in an objective way. One has but to look at the estimates of the Department of Transport and consider the very wide field that the department covers to come to one conclusion; that it is extremely difficult for any one individual to administer the activities of a department of that size effectively and in the manner in which they should be administered. I am sure the minister will understand that I make that suggestion objectively without in any way wanting to be derogatory to himself. One has but to look at the annual report of the Department of Transport to appreciate what this department contains.

The department can be divided under three main headings: railway services, waterway services and air services, which in themselves are tremendous. But when one looks at the many corporations and boards which are also responsible to the minister, such as Canadian National Railways, Trans-Canada Air Lines, Canadian Overseas Telecommunications Corporation, the air transport board, the board of transport commissioners, the maritime commission, the St. Lawrence seaway, and many other such agencies for which the minister is responsible, one can appreciate how vast the department is.

To strengthen my argument, I suggest there should be added to the Department of Transport such other communication matters as the operations of the Canadian Broadcasting Corporation, which are assigned to one particular minister because of their importance. That was the policy of the former government, and it has been followed by this government. However, the Canadian Broadcasting Corporation and all its affiliations are matters which normally should come under the department having to do with transportation. That is why I suggest that the ministry of transport should be divided into two parts, one having to do with air services, under which would come civil aviation, meteorological services and communication services, together with the crown corporations, boards and commissions that normally fall under those three headings. Under the jurisdiction of the other part could come other services that fall under the Department of Transport such as rail services and waterway services, together with the crown corporations, agencies, commissions and boards relating to those services. It seems to me, sir, that this is not an illogical division. Because of the tremendous importance which this department takes on year in and year out, the government should give consideration to this suggestion.

I move to another point which has to do with the railways. What is the position of the Canadian railways? It had a huge deficit in 1960; I think the amount was $65 million or $70 million. A large deficit for 1961 has also been prophesied. A threatened strike has just been averted by the operators of the railways and their employees. When one refers to that threatened strike one cannot do other than ask the government where it is going with reference to railway services in this country.

Some time ago the Prime Minister set up the MacPherson royal commission on transportation. It has brought down four recommendations involving subsidies of about $97 million. What is the policy of the government with reference to these four recommendations? We have asked repeatedly in this house for information in that respect and we have received none, save that the policy of the

government will be announced in due course. That is not what the Prime Minister said in November of last year when we were face to face with a railway strike. It is important for the people of Canada and the members of the House of Commons to know what is to be done with respect to those recommendations.

There is on the order paper now a bill having to do with the Freight Rates Reduction Act, with which we shall be dealing early next week. A statement has been made by the Prime Minister and the Minister of Transport in that regard, and I shall not take up the time of the committee in commenting on it other than to say that on the one hand we have the board of transport commissioners, which cannot make freight rates retroactive; it cannot reduce freight rates retroactively. On the other hand we have the minister and the Prime Minister saying that the Freight Rates Reduction Act will be made retroactive. How these two things are going to be reconciled I do not know. Perhaps I should not put it positively, but rather should ask the question. How does an act of parliament giving a freight rate reduction retroactively jibe with the policy of the board of transport commissioners, which is based on the Railway Act, which clearly states that freight rates cannot be reduced or increased retroactively? These are matters that we shall be discussing during the course of next week.

I come back to the threatened strike which was settled recently, because I asked the very important question in the house, where was the money to come from? We all remember what the Prime Minister said when this matter was under discussion in November of last year. I should like to put on record what he said as reported at page 359 of *Hansard* of November 30, 1960:

> It will make its report as to the means whereby these discriminatory rates may be avoided. Legislation will then be introduced in order to equalize opportunity across Canada. The freeze will then be taken off and the railway companies may then make an application to the board of transport commissioners to raise the freight rates and to take into consideration the agreements now in existence between the employers and the unions back to January 1, 1960.

Legislation will be introduced in parliament. First the Prime Minister said that the royal commission on transportation would bring in a formula that would settle the dispute. Well, if they brought in a formula it certainly did not settle the dispute. Then the Prime Minister said that legislation would follow. It is there in black and white. Notwithstanding our demands of the Prime Minister as to what was going to be done with the recommendations made by the royal commission, he said that the policy would be announced in due course. There is no question of legislation, although the report was made some weeks ago.

The Prime Minister said that the freeze would be lifted and the railways would then be in a position to make an application to the board in order, I presume, to take into consideration the agreements in existence between the employers and the unions. Therefore I think I am justified in asking the question, where is the money to come from? Does the minister not think it is about time for the government to make known its policy on this whole matter of railway transportation in Canada, as was done yesterday with reference to shipping policy, about which I shall have something to say later on.

The point is that the railways find themselves in a difficult position, and I think it is the duty of the government to tell the country what its policy is to be, not only in the general field, having regard to the report of the MacPherson commission, but in the other field that I mentioned. I should like to put on *Hansard* what the Prime Minister said on May 10 in his television broadcast on "The Nation's Business":

> I think most Canadians will welcome the fact that the railway strike scheduled to take place next week has been averted. Some opposition members, you should have seen them in the house, they were far from happy when it was announced. They looked disturbed.

This is not a statement which should come from the Prime Minister. I said in the house, and I repeat now, that all Canadians should have been pleased and I am sure were pleased that a railway strike was averted. This kind of statement comes with ill grace from the Prime Minister in so far as it is a reflection upon the members of the opposition. Then he went on to say:

> The action we have taken and the stand we took last fall has been fully vindicated.

That is not so; that is a complete inaccuracy. I continue:

> And yet what happened last fall? The members of the Liberal party and the C.C.F. party voted against the legislation, but the vocal critics of last December are not so noisy now in the month of May.

Well, just let us pause for a moment and see what happened. The dispute was settled on the very basis of the recommendation made by the Liberal party. The Liberal party suggested to the government that the dispute be settled on the basis of the majority report of the conciliation board, known as the Milvain report.

Mr. Browne (Vancouver-Kingsway): By compulsory arbitration, you mean; that is what you suggested.

Mr. Chevrier: And the Liberal opposition made it quite clear where it stood in so far as a strike was concerned. The conclusions that have been reached in the settlement of the strike are the same as those that were recommended from this side of the house. Therefore it ill becomes the Prime Minister to be blowing off steam because of the fact that he or the government by inference have been responsible for the settlement of the strike.

I say to the minister that we were the ones who were in the right in reference to this matter. The government was wrong, because the agreement was not according to the procedure described by the Prime Minister. I have put on record the statement made by the Prime Minister as to the manner in which this matter would be dealt with, and there is no doubt that is not the way in which the strike was settled. It was done on an entirely different basis. According to the statement which I put on record, the railways were not supposed to receive any subsidy from the government but would improve their ability to pay by increased freight rates according to a formula which the royal commission was to recommend.

Where is the money going to come from? Is the Minister of Transport going to bring down another estimate of $40 million, or whatever amount is required to pay these increased wages, or will the recommendations of the royal commission on transportation be implemented by way of subsidies? Those are earmarked for a specific purpose. So the question immediately arises whether the one will be used to satisfy the other. Nothing of what was recommended by the Prime Minister on November 30 has happened. The royal commission did not produce a formula, and the railways will have to pay the wage increases from the subsidies they will receive from the government for this particular purpose or for other purposes.

The Prime Minister in the speech he made the other day over the air on the program "The Nation's Business" tried to create the impression that the Liberal party last fall was opposed to government action in order to prevent a strike. That statement is simply untrue. We said again and again last fall that we were against a railway strike, but instead of accepting the mere delaying tactics proposed by the government at that time we said, in the form of an amendment—and it is there for anyone to see—that the strike could be prevented through a settlement based on the Milvain report, and that is exactly what has happened.

Mr. Browne (Vancouver-Kingsway): Not by compulsion, though.

Mr. Chevrier: So there was no purpose in the Prime Minister appearing on "The Nation's Business" and making the statement he did.

Mr. Grills: What about 1951?

Mr. Chevrier: I presume that those who are now interrupting will have the opportunity to speak in this debate, and I should like to hear what they have to say. So far as 1951 is concerned, absolutely nothing happened in that year with reference to the strike. I am glad that the Prime Minister has now come into the house. I am delighted that he should be here, and so that he will not think I took advantage of his absence—

Mr. Diefenbaker: You generally do.

Mr. Walker: He did this morning.

Mr. Chevrier: Mr. Chairman, I raise a question of privilege. The Prime Minister says that I generally take advantage of his absence from the house to make statements concerning him. That is untrue. That is not so, and I ask you, Mr. Chairman, to have the Prime Minister withdraw that implication with respect to my conduct.

Mr. Diefenbaker: The hon. gentleman is very touchy. I repeat what I said. It is a common practice among certain hon. members opposite—

Mr. Chevrier: Mr. Chairman, on a question of privilege, the Prime Minister is now shifting his ground. He has said it is a common practice among certain members of the house, but that is not what he said a moment ago. He directed his statement to me, and I am asking the Prime Minister to withdraw that statement because it is untrue and it is unfair of him to say so.

Mr. Diefenbaker: I have nothing to withdraw, and it is not untrue. I read in *Hansard* what has gone on when I am out of the house, and I find that so frequently this has become a method, a *modus operandi* as we lawyers call it—

Mr. Chevrier: Mr. Chairman, I am asking you to rule on the question of privilege. The Prime Minister has no right to reflect on a member of parliament in the manner in which he has. He has no right to reflect on any member on this side of the house by saying that he takes advantage of the fact he is not in the house to make statements concerning him. If he is not in the house that is his fault, but I can tell the Prime Minister now that anything I have to say with reference to him I will say in his presence.

Mr. Diefenbaker: Go right ahead.

Mr. Chevrier: I am now asking the Prime Minister to amend the language he used a moment ago.

The Chairman: I must say it is very often charged that some members take advantage of the absence of others to make statements with respect to them, and references to the absence of members are very frequent. I do not recall having seen in Beauchesne or any other authority any indication that statements of that kind have been considered improper, or that would justify the Speaker or Chairman requesting that they be withdrawn. If the hon. member has a case in point I am willing to consider it.

Mr. Chevrier: I think that is a most unfair way in which to put it.

Some hon. Members: Order.

Mr. Chevrier: It is not up to me as a member to submit authority. The Prime Minister is the one who has broken the rules of the house.

Some hon. Members: No.

Mr. Chevrier: I think that is also a reflection from the Chair on myself as a member.

Some hon. Members: Order.

Mr. Grills: Sit down.

Mr. Chevrier: I will not sit down for you.

The Chairman: Order.

An hon. Member: Steady, boy.

The Chairman: Order. The hon. member for Laurier has indicated his view that he does not think the Chair is being fair in its consideration of this problem. I have indicated that in my view there are no precedents, and I am asking him if he has any to submit. I think it is only natural that the Chair should not be forced to make a decision without having some ground for the decision which the hon. member suggests. If the hon. member has no precedents I will consider that such references, which are very frequent, have been considered parliamentary and are not such as to justify any withdrawal.

Mr. Chevrier: It is a common rule of this house.

Mr. Walker: It is not.

Mr. Chevrier: Well, you know a great deal about the rules. The Minister of Public Works does not even know the minor rules of the house, and it would be much better for him to sit down.

Mr. Walker: Mr. Chairman, on a question of privilege, I want to say that I know of no one in the house who breaks the rules more than the hon. member for Laurier, and I know of no one who takes greater advantage of the absence of ministers than the hon. member for Laurier. I respectfully suggest, Mr. Chairman—

Some hon. Members: Order.

The Chairman: Order. What we have to consider now is the point raised by the hon. member for Laurier. If other points are raised I will deal with them later. The hon. member for Laurier may consider that the unparliamentary words referred to in citation 155, for instance, do not apply in this case. As to other precedents which may apply, I may tell the hon. member that I do not know of any. If the hon. member for Laurier has some such citations—

Mr. Walker: It is pure bluff; he has nothing.

The Chairman: —I am willing to consider them. I might say that I have heard similar charges in the house since I have been here. I have never heard anybody request that they be withdrawn. I have heard members rising on questions of privilege, or something like that, and explanations given. However, that is another matter. I think the hon. member for Laurier has sufficiently explained his position in so far as any question of privilege is concerned.

Mr. Chevrier: I would have thought that the rules of the house—

Mr. Walker: What rule?

Mr. Chevrier: —were clear enough to indicate that the Prime Minister should amend his language. However, if I may—

Mr. Diefenbaker: Mr. Chairman, I want to hear what the hon. gentleman has to say. If his sensibilities have been exacerbated may I say I will immediately amend my statement and say that whatever he did say he really did not mean.

Mr. Pickersgill: That statement is clearly against the rules.

Mr. Chevrier: I am not going to lose any more time in connection with this statement by the Prime Minister. I have a contribution to make and remarks to make in answer to what has been said by the Minister of Transport on this occasion. I intend to proceed with my remarks. I leave to the house the words that were used by the Prime Minister. I do not believe they meet the position. However, that is his responsibility, and he alone will have to take it.

Mr. Walker: You are hoist on your own petard.

Mr. Chevrier: Now, Mr. Chairman—

Mr. Walker: On a question of order, Mr. Chairman, may I say that you have asked the hon. member for precedents. He has not given any precedents, and I think he should withdraw his insulting remarks to you, as Chairman of this committee.

The Chairman: I heard the hon. member for Laurier say he had accepted the ruling and was now reverting to his speech.

Mr. Walker: Has he?

Mr. Chevrier: Mr. Chairman, I think you should immediately call the Minister of Public Works to order. I am entitled, as a member of the house, to proceed and this minister is continually interrupting these proceedings. He has no right to do so. He has referred to insulting language that I used. I did not use insulting language. On the contrary—

Mr. Walker: It was extremely insulting to you, sir.

Mr. Chevrier: —it was language used by the Prime Minister that brought this about.

The Chairman: I consider the incident closed. The hon. member for Laurier may proceed with his speech, and I ask all hon. members not to interrupt the member who has the floor.

Mr. Chevrier: To come back to what the Prime Minister said a moment ago, I should like to invite him to point to any circumstances under which I have made statements such as he said I had made. In his absence I put on the record certain statements he made on November 30, and I do not intend to repeat them. However, he quite clearly said at that time how the strike would be settled. He made it quite clear there would be four matters taken into consideration. First, there would be a report from the royal commission on transportation. Then there would be legislation introduced. Then the freight rates freeze would be lifted, and then it would be possible to come back to a consideration of the agreements that had been made between the parties. This did not happen.

The question I asked while the Prime Minister was absent from the house was, when are we going to get a statement of policy from the government with reference to this whole matter, the report of the royal commission and the four recommendations that were made and the policy of the government with reference to the manner in which funds will be provided for the settlement of the strike? I think the committee is entitled to know and the country is entitled to know. We have not heard a word, and that is why I say, and repeat now, that the policy of the government in respect to that part of transportation services, namely rail services, is a complete blank.

Mr. Diefenbaker: I want to ask the hon. gentleman a question. He is proceeding with an argument and, while I am not accepting it, it is an argument. I should like to ask him this. Does he have any objection to the labour unions and the railways getting together and coming to a settlement as a result of the processes of negotiation, or would he have had the government step in and stop that?

Mr. Chevrier: In answer to that question, I am asking the Prime Minister whether they did get together, or whether the government instructed certain people to bring about a settlement. That is the point. I think that is the question that should be answered before I answer the question asked by the Prime Minister. Then again—

Mr. MacInnis: Will the hon. member permit a question?

The Chairman: Order.

Mr. MacInnis: Will the hon. member permit a question? In his last statement he implied that the labour unions or a segment of the upper echelon of the labour unions had accepted instructions against the wishes of the rank and file to carry out a settlement of this threatened strike. If that was his implication he had better amend his statement.

Mr. Chevrier: I would not amend my statement for the hon. member. If he had listened to the question I put to the Prime Minister in answer to the question he put to me, the hon. member would have understood what the implication was. The implication was quite clear. In so far as we are concerned, I think we are entitled to know in what manner these funds are going to be provided and that certainly has not been indicated either by the Prime Minister or the Minister of Transport.

Then I was about to go on to another matter when the Prime Minister entered the house. I think we should know the position taken by the Canadian National Railways toward employment. I believe the committee is entitled to know that. These questions have been asked and the answer has been, "Well the committee will be set up and questions can be answered during the deliberations of that committee." While that is true in general, the opposition is entitled to know whether the general position of railway workers on the Canadian National has deteriorated over the years. The minister surely ought to be in a position to tell us that.

While we do know that there has been deterioration in the position of many Canadian National employees, there is on the order paper a resolution indicating that the directors will be increased from seven to 12. We will be dealing with that resolution on another occasion. While there are hundreds of thousands of people out of work in this country, there is on the order paper a resolution indicating that the number of directors of the Canadian National Railways is going to be increased. How many people have been laid off by the Canadian National? What is the position of the employees at the McGill street headquarters of Canadian National Railways and the aviation building in Montreal?

I attempted to move the adjournment of the house on one occasion to deal with this situation. The minister made the usual statement that, in so far as the Canadian National Railways were concerned, they were not interested in laying off people; they would do the best they could. I think the minister owes it to these people to say what is the position of those men who are employed in the headquarters building of Canadian National Railways at 360 McGill street and the adjoining building and who, because of the shift from that building to the new office premises in the city of Montreal, may be laid off. What is the position of those who are engaged in the maintenance of those buildings, now that Canadian National Railways are handing out this work to a contractor? How many of these men remain out of work? In the C.N.R. building alone 160 of them were affected by this move, and I am told that in the aviation building a number were also affected.

This first item should not be allowed to pass, Mr. Chairman, until the committee is given the details. I will give the minister credit for this sentiment. I am sure that he is not any more anxious than anybody else to see men out of work. But that feeling will not suffice. What is the position of these people who have lost their jobs. Before this first item is disposed of I hope the minister will be able to tell us what the situation is.

The Chairman: Order. I am sorry to interrupt the hon. member but I must inform him that his time has expired.

An hon. Member: Let him continue.

The Chairman: Is it agreed that the hon. member be allowed to continue

Some hon. Members: Agreed.

Mr. Chevrier: I am grateful to the committee for their consent. I will try to bring these remarks to a close as quickly as I reasonably can do so. However, I would bring to the attention of the minister the representations that were made by those employees to the Prime Minister. I am sure the Prime Minister has received a large number of letters from the employees at the headquarters building in Montreal. I have received one copy if not several copies of letters that have gone to him. I am sure the Prime Minister has turned them over to the Minister of Transport. That is another reason we should have a complete breakdown of the position as it affects these employees.

I next come to the question of aviation services. I am somewhat surprised that a statement has not been made by the government with reference to aviation policy in Canada. I do not believe a statement has been made on aviation policy for many years. Certainly no statement has been made by the present government except, of course, in answer to questions that were put to the former minister of transport and to others. I do not think that is a healthy situation, Mr. Chairman. Because the air services in any country are of such great importance, careful consideration should be given to the position having to do first with (1) international carriers; (2) domestic and transcontinental carriers; and (3) regional carriers. No announcement of policy has been made. I submit to the minister that he should give some indication of what the policy is.

I should like to say a word in connection with the bilateral air agreements. There are in existence a number of bilateral air agreements that Canada has made with other countries. Since this government has been in office those agreements have been detrimental to Canada. They have been detrimental because Canada has given away certain of its sovereign rights—I refer to fifth freedom rights—to foreign carriers when Canada itself did not have those rights in the foreign countries concerned. In one case Canada gave up a substantial and important right in its own country in an exchange with another country.

There has been or there is before the cabinet an application by Canadian Pacific Airlines for certain international air services. In equity and in fairness I think the committee is entitled to know the nature of the application and the government's decision on it. Surely the government is not going to sit on it. What are the demands that are made in the international field by Canadian Pacific Airlines? Have Trans-Canada Air Lines made similar representations? What has been the decision of the government? Is the government still studying those applications?

Under the Aeronautics Act—I have forgotten the section, but I believe it is section 15

—it falls within the jurisdiction of the governor in council to deal with applications of that nature when the applicant is also a surface carrier. What is the position of carriers in so far as transcontinental services are concerned? Have Canadian Pacific Airlines made application for certain services? Will those applications be dealt with by the cabinet, or will they be given to the air transport board for determination?

It would seem to me that the logical body to make a determination on applications of that kind is the air transport board. They are a technical body. They have all the necessary facilities. They have held hearings from one end of the country to the other. Last year, during consideration of the estimates of the minister's predecessor, a statement was made that regional hearings were being held by the air transport board all across Canada, first in the eastern part of Canada and later in the western part, and that some decisions would be arrived at. It seems to me that the committee is entitled to know what those decisions are.

Then again there is the question of the regional air carriers. Need I tell the minister that some of them are in difficult circumstances and need assistance? Perhaps all of them need assistance. I know definitely of some instances, in the province of Quebec particularly, where assistance is needed if the carrier is to be able to carry on.

Mr. Diefenbaker: Will the hon. gentleman say what carrier that is?

Mr. Chevrier: Yes. If the Prime Minister will allow it, I should like to defer doing so; I am coming to it in just a moment. I wanted to preface my statement with an article that appeared in the Ottawa *Citizen* following the minister's statement to the air industries and transport association at Quebec last year. He had just been appointed at the time, and there was a good deal of consideration for and sympathy with the difficult position in which he found himself at that meeting. The title of this article which appeared in the *Citizen* of November 5, 1960 is "Air Carriers are Seething" and it reads in part as follows:

> There was little secret that the A.I.T.A. members were dissatisfied with Mr. Balcer's defence of the controversial decontrol policy and more forthright indignation was only suppressed by the members' consideration for the fact that he has just stepped into the post of a new minister.

Following that up, may I say that the minister was told that in 1958 the aviation industry employed about 40,000 people directly and 65,000 people indirectly, and was the third largest employer in Canada. In 1960, for which I have the latest figures, the situation had worsened considerably. The gross selling value of products in 1958 amounted to $462 million. In 1960 that figure was down to $327 million, and the employment roster was down to 28,516. It was taken for granted—and in fact it was so stated at the A.I.T.A. conference in Quebec—that the position in 1960 would be worsening.

The Prime Minister asked me to what air carrier I referred. I refer to an article which appeared in *L'Echo du Bas Saint-Laurent*, in which it is stated that Quebecair is being threatened because of competition from other carriers, but more particularly T.C.A. Many reasons are given in the article, but I will only place this paragraph on record. I think it is an excellent article; the minister may have seen it. It is by Jean-Paul Legare and is entitled "La Concurrence d'Air Canada Menace la Survie de Quebecair".

(Translation):

> The Quebec Airways, or Quebecair, has struggled mightily to secure the right of flying the Quebec airlanes. The company is using those airlanes as its natural field of operations. There is therefore no valid reason for T.C.A. to continue duplicating Quebecair service between Montreal and Seven Islands. We have it from good authority that, if Quebecair had the monopoly of its airway network, they could give first class service and prosper. On the other hand, if T.C.A. keeps competing, this state-owned company will pile up deficits and, which is still worse, jeopardize the survival of Quebecair, a private enterprise.

(Text):

I do not, of course, intend to extend the same arguments to other corporations having to do with T.C.A. This being a regional area I think the position is entirely different than that of the two main carriers in this country, namely, T.C.A. and C.P.A. But I hope the government is taking into consideration the recommendations of its own report, the Wheatcroft report, and I trust the minister has given consideration to the conclusions which were reached by the distinguished commissioner which at the request of the government made a complete study of the whole field. It was clear, following that report, that there should not be competition in certain areas, and that when competition did take place it was to happen in a very gradual way. Particular reference was made to a five year period and a ten year period. I have forgotten the date of the Wheatcroft report, but I think it was published some three or four years ago.

However, having regard to the deficit of Trans-Canada Air Lines, which amounted to $2½ million in 1960, and the deficit of the Canadian Pacific Airlines, amounting to $4

million or more during the same period, the government, it seems to me, must be extremely careful in reaching any decision which it might make either in the international field or in the domestic and trans-Atlantic fields which would affect the strength of either of those two great corporations.

That is easier said than done. I will grant at once that in theory it is easy, in the field of aviation, to make a general statement, but when you come to apply it things are far more difficult. That is why I say this is not a political question. It is a technical question which should be decided on the merits and the facts, and there is a body which deals with that responsibility under the Aeronautics Act, namely the air transport board.

Mr. Balcer: They are doing just that at the present time.

Mr. Chevrier: Well, in that case why is the cabinet holding hearings? Why did the cabinet appoint a subcommittee and hear representations from the presidents of C.P.A. and T.C.A.?

Mr. Balcer: That had nothing to do with the domestic aspect.

Mr. Chevrier: I am dealing with both. I am dealing with both the international aspect of the aviation policy and the transcontinental aspect. I am happy to hear the minister say that the air transport board is dealing with this now.

Mr. Balcer: Could I ask the hon. gentleman a question? I wonder if the hon. member for Laurier could tell me on what occasion there was ever a public hearing before the air transport board on the allocation of an international route.

Mr. Chevrier: I believe there were public hearings in at least one case. I may be mistaken, but I think it was in the case of the air cargo application some years ago. In that case there was a public hearing before the air transport board.

Mr. Balcer: Followed by a meeting of the committee of the cabinet.

Mr. Chevrier: What was that?

Mr. Balcer: Is it not a fact that this matter was brought before a committee of the cabinet?

Mr. Chevrier: That is true, but not until the air transport board had made a complete study of this question and had made recommendations to the cabinet with regard to it. That is why I said a moment ago that under the provisions of the Aeronautics Act it is the governor in council which deals with a certain aspect of this whole matter, namely the international carriers. We did not deal with it in the past until we had before us a complete study and recommendations by the air transport board.

Mr. Balcer: I am sorry to interrupt the hon. gentleman, but just to clear this up I wonder if he could tell us whether the air cargo he mentioned was domestic or international. I am under the impression that it was domestic air cargo which was under discussion at that time.

Mr. Chevrier: Yes, the particular application as between T.C.A. and C.P.A. had to do with domestic air cargo, but the decision the government took was made following a study by the air transport board after a hearing before them, and its effect had to do with international services and international air cargo as well. That is why I say to the minister that it seems to me this whole question is one for a technical body, the air transport board, which has the facilities and the personnel to deal with this matter in the manner in which it should be handled. If it is dealt with by that body, and if there is a recommendation made, I do not think the minister will find any exception being taken from this side of the house.

I should like just to say one word about the shipping policy which the minister announced yesterday in the House of Commons. I told him, and I repeat, that in my opinion it was one of the most important statements to have been made in this house in a very long time. It has to do with three aspects of water transportation; assistance to the shipping operator and the shipbuilder; assistance to the fishing industry; and cabotage, or the manner in which ships may move in and out of the great lakes.

The minister has stated that the first two aspects will not be dealt with by legislation, but brought about by means of an item to be introduced in the estimates. In so far as the latter item is concerned, namely the one involving amendment to the commonwealth merchant shipping agreement, there is a point which I should like to bring to the attention of the minister.

My recollection is that there are five kinds of trade on the great lakes. There is trade moving from one Canadian port to another Canadian port; there is trade moving from one United States port to another United

States port; there is trade moving from a Canadian port to a United States port; there is trade moving from a Canadian port to an overseas port, and there is trade moving from a United States port to an overseas port. As the situation is now, the laws of the United States prevent or prohibit cabotage or the carrying by foreign vessels of trade or cargo from one United States port to another United States port.

This is not so in Canada. That restriction does not apply to British vessels or to commonwealth vessels. They may move from one Canadian port to another Canadian port, and the announcement the minister made yesterday was that he intends to apply for an amendment to the act so that after the passage of that act, cabotage, as I call it, will not be permitted to other than Canadian vessels in that area from Les Escoumains to the head of the lakes. Downstream from Les Escoumains, British vessels and commonwealth vessels will be able to trade from one Canadian port to another Canadian port. The question that comes to my mind therefore, is this. What will be the position, first, of Canadian owners who are now operating vessels under the British flag; and what will be the position of Canadian owners who have transferred their flag to other flags of convenience, as did the operator I referred to yesterday? Does this mean that they will bring their ships back to the Canadian flag?

The next question I should like to ask the minister is this. He has already stated that he intends to amend the shipping act in order to bring this about, and I think there is a part of the shipping act which has to do with this matter; but will that be done only after an agreement has been completed with the commonwealth countries? If that is so, does the minister anticipate that agreement with the commonwealth countries can be finalized before the end of this session? This must be an international agreement, an intercommonwealth agreement, and I take it these agreements are not made overnight but by representations on a formal basis through the usual offices, the Secretary of State for External Affairs, or by meetings of a committee.

What effect is this policy going to have on the ships of the Canadian National Steamships line that are still lying at anchor in Halifax harbour? Will it be possible to use this policy, in some form or other, to assist those ships? Have payments been made in accordance with the agreement that has been arrived at between the Browning company and the guarantors through the bank of Cuba, and has the new bank repudiated any of the payments? Will the minister give consideration to rehabilitating these ships under the new policy if the other matter falls to the ground; because surely the minister will agree that there are six or seven ships there doing nothing, and that have been doing nothing for many years, that could be of great service in trade to and from the federation of the West Indies.

(Translation):

Mr. Chairman, I wonder if the house would allow me a few minutes before I resume my seat, so that I may deal with a matter I recently brought to the minister's attention. It was about the use of the Soulanges canal, in regard to which I put the following question to him on May 3, 1961:

> Since the discussions were started between the two governments, have any industrial corporations approached the government with a view to locating plants in the area set aside by the minister?

Mr. Chairman, this is the one mile strip of land set aside for industrial development purposes in the vicinity of Cascades. As reported on page 1 on the appendix to *Hansard* for May 3, the minister replied as follows:

> Not directly, Mr. Speaker, but a number of chambers of commerce in the area have made representations to have this federal government property set aside so they may have time to approach various industries with a view to bringing industrial construction into the area.

Following that answer, I asked the minister which chamber of commerce had made such representations; the minister then said that he would make inquiries and reply later.

Now yesterday, or was it the day before, I forget which—

Mr. Johnson: The day before yesterday—

Mr. Chevrier: —the minister replied—

Mr. Johnson: Yes, it was the day before yesterday.

Mr. Chevrier: —that he had on hand a pamphlet indicating that the chamber of commerce of Vaudreuil-Soulanges supported such industrial development. Now, what the minister had on hand at that time was not a petition, but publicity material which had been written in 1958, at least two years before the petitions he received. It therefore seems to me that the minister should have admitted at once that he had received no representation to that effect from a chamber of commerce of the Vaudreuil-Soulanges area, for I have them all here before me and none of them recommends that mile long area in question be set aside. On the contrary, each of the seven requests states that:

> —many industrial promotion organizations and large financial syndicates have vainly sought to convert the canal and areas along the canal, into a source of income for the population—

—of Vaudreuil-Soulanges, and that, in spite of this, the chambers of commerce recommend to the minister:

—to encourage the free assignment of the land and buildings of the Soulanges canal in whole—

And not only in part.

—to the government of the province of Quebec, to help carry out the above projects and thereby provide people in the constituency of Soulanges with a source of income that would enable them to prosper as they did before the closing of the canal.

Mr. Chairman, I do not intend to keep raising this matter indefinitely but I feel that the minister should admit that no chamber of commerce in the constituency—if this be the case, as I believe it is—has recommended that this mile long strip of land be reserved for industrial development purposes.

What is more, the whole railway system which might promote industrial development on the canal is at the other end and not in the Cascades area. In fact, the C.N.R. has a railway centre at Coteau Landing, while the C.P.R. has one at De Beaujeu, near St. Polycarpe, which is quite close to the upper end of Soulanges canal. Therefore, if it is advisable to promote industrial development in that part of the constituency, it is at the upper end of the canal it should be done, and not in the Cascades area.

(Text):

Sir, I have been much too long, I know, but there were certain matters which I thought should be brought to the attention of the committee. I reiterate my statements with reference to two of them. The first is that, I regret the failure of the government to give the House of Commons the policy of the government in the field of railway services. I also regret the failure of the government to make any announcement of policy in so far as aviation services are concerned. I hope it will be possible for the minister to do this in both those important fields of transportation—perhaps the most important of his department—as he has done in the field of water transportation, before the consideration of his estimates has been concluded.

Mr. MacInnis: Mr. Chairman, would the hon. member permit a question?

Mr. Chevrier: Certainly.

Mr. MacInnis: The hon. member made reference to the changed status of Canadian National Railways employees at headquarters in Montreal. My question to the hon. member is this. Is the hon. member aware that prior to this government taking office a similar change took place in Nova Scotia, where a contract had been awarded by the Canadian National Railways to a private company depriving union men of work, and among the directors of that company at that time was the then president of the Nova Scotia Liberal association?

Mr. Chevrier: I am afraid my hon. friend misunderstood my remarks. I was dealing with the maintenance employees on the headquarters staff of the Canadian National Railways at 360 McGill street. I said that what the Canadian National Railways had done was to give a contract for its new office building on Dorchester street, where the circumstances are not at all the same as those related by the hon. member. I also said that because of the change from a prevailing rate group to a contractual group many men on the Canadian National Railways maintenance and operational staff would find themselves without work. I believe 160 of them were affected, and I was asking the minister to tell me what their position was. I said I did not think this first item should be allowed to pass until all these men had found employment.

Mr. MacInnis: Mr. Chairman, to that reply I can only say that when the hon. member rose he said the circumstances were not similar. This would indicate he knew very well what the circumstances were.

Mr. Hellyer: On a point of order, Mr. Chairman; are you recognizing the hon. gentleman?

The Chairman: The hon. member for Trinity has a point of order?

Mr. Johnson: I have a question. If the hon. member for Laurier is willing to answer it now I have no objection.

Mr. Chevrier: Yes.

(Translation):

Mr. Johnson: Does the hon. member for Laurier not feel that it would be possible for the provincial government to take on those employees, since the work involved is not of a clerical nature such as might require major changes in the organization of the work, but is more in the nature of what is described as "maintenance", that is cleaning work in the buildings. I therefore ask the hon. member for Laurier if the provincial government could not employ these persons?

Mr. Chevrier: As usual, Mr. Chairman, the hon. member has not—

Mr. Johnson: Let us have an answer.

Mr. Chevrier: As usual, Mr. Chairman, the hon. member does not clearly picture the situation. The Quebec government is not responsible for this situation; C.N.R. officials are the ones responsible—

Mr. Johnson: Could not the government do it?

Mr. Chevrier: There is only one answer—

Mr. Johnson: Do answer my question.

Mr. Chevrier: Well, let me do it. There is only one answer, and it is this: first, the C.N.R. is responsible for the situation, and then the minister answers for it in this house. So, in the last analysis, it is up to the C.N.R. to provide employment for those people and not for the Quebec government.

Mr. Johnson: Therefore, it is the Quebec government that is laying them off.

Mr. Chevrier: Because it is not—

Mr. Johnson: It will not give them jobs.

Mr. Chevrier: Will you allow me to answer?

Mr. Johnson: Give us an answer.

Mr. Chevrier: You do not like the one I am giving you.

Mr. Johnson: That is no answer.

Mr. Chevrier: That is because you misconstrued the question.

Mr. Johnson: That is no answer.

Mr. Chevrier: I am simply telling you that it is not the responsibility of the Quebec government but the responsibility of the C.N.R. to find jobs for them.

Mr. Johnson: They could co-operate with the C.N.R.

(Text):

Mr. Fisher: Mr. Chairman, I think I can agree with many of the points made by the previous speaker, the hon. member for Laurier, without agreeing that he has made a better review of the over-all problem of transportation which we face today than the minister has. One would assume that the present minister received his post because of the desire of the Prime Minister and the cabinet to have a stronger representation of French speaking colleagues. This is, I think, to most hon. members the most important practical cabinet post of all. I am torn between appreciation, for example, of the announcement made yesterday on Canadian shipping and other factors that have arisen since the minister has taken office. He has the verve of a cigar store Indian when it comes to putting over his department. The other point that stuns me about the department since he has taken over the post is the delay in getting replies. I see that the Minister of Public Works wishes to interrupt, Mr. Chairman.

Mr. Brunsden: On a question of privilege, the hon. member for Port Arthur has made allegations against the minister which are unwarranted.

The Chairman: Order.

Mr. Brunsden: I suggest that he be asked to retract the statement.

Mr. Walker: On the point of order, we all know that the hon. member for Port Arthur speaks from Mount Olympus and looks down on ordinary members of the House of Commons. I think we should consider the source of the remark. If I were the hon. member I would not ask that the hon. member for Port Arthur should withdraw this insult to the French Canadian race.

Mr. Fisher: Mr. Chairman, where the insult comes I cannot see. I used a simile. Is there anything wrong with that? I believe this is the first time since I came to this house that I have been asked to withdraw anything. If the minister personally takes objection to what was said I will be only too pleased to withdraw. I think the Minister of Public Works is leaping into a breach that has not been made yet in so far as an insult to the French Canadian race is concerned.

Mr. Walker: The rest of the committee thinks so.

Mr. Pickersgill: Is the minister an authority on the rest of us?

Mr. Walker: Not on you.

Mr. Balcer: Mr. Chairman, since this remark was made about me I must say that I did not see too much offence in it. I shall be in a position to answer the specific points raised by the hon. member at the end of the discussion on the first item. At that time I shall deal with everything he has to say. I urge him to carry on; he is extremely interesting.

Mr. Brunsden: On the question of privilege, there is a term in western Canada which my friend from Port Arthur should know. A cigar store Indian is a dead duck, and certainly our minister is anything but that.

Mr. Hellyer: You mean a Bomarc.

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

Mr. Fisher: Mr. Chairman, perhaps I should have begun my remarks with some acknowledgement of the pleasure it is to be speaking in the House of Commons on Saturday. It seems to have been such a popular move, particularly with the staff although they seem to have shared an inordinate amount of credit for the condition, that I should like to extend my words of appreciation to those hon. members who have managed to find it possible to be here on this particular day.

The theme on which I should like to approach the estimates of the Department of Transport and the whole question of transportation has really been offered to us by the Prime Minister in his ringing declaration that the future election, which I think most of us will agree will be coming very soon, is going to be centred on the issue of free enterprise versus socialism. I know this is a topic that is dear to many members' hearts, particularly on the government side, and I want to try to analyse the problems that we face in transportation in the light of this situation.

If the issue is between free enterprise and socialism, it seems to me that in all fairness the thing to do is to get the government out of any kind of operation of transportation services at all. If you are going to have a pure and thus, I think, a practical free enterprise approach, if you are going to use the theme that as a political party and government you stand for free enterprise, then it seems to me that the challenge is to get the government out of any kind of transportation operation. That is the first point.

How do you get the government out of such operations? Do you sell the C.N.R.? Do you sell Northern Transportation Limited? Do you turn them over to private enterprise? That is one side of the problem. The other question is, what about the problem of subsidies? If you are a free enterpriser and against socialism, especially the creeping or dead hand of socialism, are you going to offer subsidies to private enterprise in any shape or form?

Yesterday we had an announcement, which will be very much welcomed in my own region and is welcomed by this party, in relation to the shipbuilding industry. But I put it to the minister and to the Conservative members of the house: In view of the Prime Minister's theme for the next election, does this announcement not bother you? Does it not strike a blow at the very purity of your theme of free enterprise? The minister was candid enough to say that there is no idea what this is going to cost. I know that last year the hon. member for Laurier and I made recommendations along this line and he estimated the cost, as I remember, at $40 million to $50 million a year to carry out this kind of proposal, that is, a 40 per cent contribution to the capital cost and a fitting in with the depreciation pattern we already have.

It seems to me that there is here a challenge to the government to explain to us how this announcement, which I take as a form of socialism, fits into the free enterprise theme. After all, if you are going to underwrite both the shipyards and the shipbuilding industry to the extent of 40 per cent of capital costs, you will have a most difficult time coming forward as an apostle of free enterprise. This is something in a policy way that I wish the minister would explain. How does this announcement that we welcome fit in with the role of the government in moving from this trend toward socialism toward what the Prime Minister says is the issue in the next election?

Mr. Balcer: Will the hon. member permit a question?

Mr. Fisher: Yes.

Mr. Balcer: Would he call the United States government a socialist government because it gives subsidies to its shipping and shipyard operations?

Mr. Fisher: No, I would suggest that throughout the world we have a trend toward both planning and the support of industries by governments. I was talking to a Conservative just before I came into the chamber who was telling me how attracted he was—I think this is fair—to the statements of senator Barry Goldwater and the whole idea of stopping the trend toward collectivism and the mixed economy. Is this theme of free enterprise versus socialism going to be an attempt to stop the trend toward collectivism and the mixed economy? In all fairness, I think the minister has to recognize that this is a trend toward a mixed economy. Here is a 40 per cent underwriting of the shipbuilding industry and the shipping industry in Canada.

I also hope that some time during this debate Conservative members from the west, especially those representing prairie constituencies where grain is shipped, will give us their views on the announcement of yesterday. I acknowledge there is a tradition, whether you are a Conservative, Liberal or C.C.F.'er from the west, that you want the cheapest shipping rates possible in order to get your grain into foreign markets, and

I should like to hear from these western members whose constituents export grain as to what they feel the effect will be.

Mr. Brunsden: Will the hon. member permit a question? Where are the C.C.F. members from the west?

Mr. Fisher: Where are the C.C.F. members from the west? I was referring to C.C.F. members who have been here in the past. We have one C.C.F. member from the west now and I think we are likely to have more again. That is beside the point. I should like to hear what the western members think of this announcement and what it may do to the cost of carrying their grain to world markets.

I want to touch on another aspect of this question of free enterprise versus socialism. We have had the argument put forward in other places attached to this house that the government should get out of the operation of Northern Transportation Limited. Here is a company that is not really making money and it is in competition with private enterprise, so the theme is get rid of it and let private enterprise handle the freight transportation problem in the Yukon. We have a situation with the Polymer Corporation where a crown organization is making a great deal of money and the argument there seems to be that we should sell it right away because what business does the government have in engaging in any field in which money can be made? This is another contradiction in the free enterprise approach of the present government that I cannot understand.

There is in Canada today a free enterpriser who has spoken forth recently and who seems to have a certain amount of influence with the government. I am referring to Mr. Crump, the president of the Canadian Pacific Railway. Not long ago on the occasion of the annual meeting of the Canadian Pacific, he made an address that was well covered in the press. I should like to quote an extract from the *Gazette* of May 4, 1961. Mr. Crump sets out a number of the difficulties confronting the Canadian economy at the moment, and points out that the growth of the gross national product per capita does not match that of the United States. Then, he says this:

> Among the reasons responsible for this undesirable situation, it would appear, is that Canada, to a greater degree than the United States, is committed to the mixed economy, in which state enterprise and private enterprise function in co-existence.

I can only take that statement as a criticism of the mixed economy. I should like to hear the minister's views because, as I understand it, Mr. Crump's air line has been before him and before the cabinet in relation to demands that it have a better break, as a private enterprise carrier, in the carriage of passengers.

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

Mr. Fisher: Yes.

Mr. Macdonnell: Would he explain a little further why he took that as a criticism on the part of Mr. Crump? I have read the statement but I did not take it as a criticism.

Mr. Fisher: The hon. member is mistaken. I did not say this was a criticism of the Prime Minister.

Mr. Macdonnell: I thought the hon. member said it was a criticism of the mixed economy?

Mr. Fisher: Yes. Well, he set out why Canada is not doing so well. He said that among the reasons responsible for this undesirable situation it would appear is that Canada, to a greater degree than the United States, is committed to the mixed economy in which state enterprise and private enterprise function in co-existence. I can only take it from that that Mr. Crump thinks the mixed economy has gone too far. It is one explanation of why we are in a stagnation period.

Mr. Macdonnell: When I undertook to question the statement I must say I had forgotten Mr. Crump's full statement. I am inclined to agree with the hon. member.

Mr. Fisher: This is a legitimate line that Mr. Crump took. It is a legitimate line, but I do not agree with it, and his action in having Mr. McConachie down here lobbying for an extension of the franchise of Canadian Pacific Air Lines is in agreement with this particular attitude.

What I want to know is whether or not it is the attitude of the government that the mixed economy has gone too far. I know the Prime Minister was probably oversimplifying when he said the choice is going to have to be between free enterprise and socialism. Nowhere will you find a department in which you have this problem staring you right in the face to a greater extent than you do in the Department of Transport. I should like to give some examples.

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

Mr. Fisher: Yes.

Mr. Brunsden: The hon. member has used the term "mixed economy". Will he define it?

Mr. Fisher: Well, I do not want to get into a discussion of terminology, but I do not want

to use a term upon which there is some misunderstanding. Let us put it this way: It is an economy in which there is a great interrelationship between private business and government, where the government not only gives the initiative in certain fields but also gives subsidies and, in certain areas it carries on operations and services that could be carried on by private enterprise.

However, I wanted to point out some examples of this problem. I am sure every member of this house received a communication from the representatives of the trucking industry after the announcement was made that subsidies were going to be paid to the railways as a result of the MacPherson commission report—at least, we assume they are. The trucking industry, on the basis of the argument by the MacPherson commission that they are prime, hard, legitimate competitors of the railways, ask what business the government has in subsidizing the railways in competition with them. Again, they have a point if you accept the commission's attitude.

What is their thesis? As I understand it, it can be taken two ways. One of their positions is that they do not want the government subsidizing the railways at all. Let us say we are talking in terms of the relevant period. Their other argument, as I understand it, is, if you are going to subsidize the railways then you have to subsidize us. Of course, the railways and the railway unions answer by saying that the truckers are already subsidized by the fact that their right of way is provided by the taxpayers. You can get lost in this kind of maze. My argument is that we are going to have a blurring of the line between free enterprise and socialism.

One of the aspects upon which I expected the minister to comment, as he was requested to do by the hon. member for Laurier, is this question of air line competition. Perhaps I can best make my point by quoting from an article that appeared in the Montreal *Star* of May 6, 1961 under the heading "Air line costs cause fear of another 'C.N.R. situation' ". The article goes on to say:

> Fear of "producing another C.N.R. situation" has become a dominating shadow hanging over the government's consideration of aviation policy, highly reliable sources said here today.
>
> The fears have been heightened, these sources continued, by an estimate produced within the government that too rapid an increase in competition in the air could quickly send this country's air line losses up to around $40 million a year. The combined losses of Trans-Canada Air Lines and Canadian Pacific Airlines last year were $7 million.

If I could skip through the general argument and come to the last paragraph which is relevant to the request I should like to make of the minister, it reads:

> The position of the Prime Minister on these issues appears to be unknown to his colleagues in the cabinet and is accepted as vital. External affairs minister Howard Green is widely identified as McConachie's strongest supporter in the cabinet. Finance minister Fleming, justice minister Fulton, trade minister Hees and transport minister Balcer are described as strongly opposed to granting the C.P.A. request at the present time.

This last paragraph is pure speculation. I introduce it only to suggest that, in this kind of situation which is being aggravated by these speculative stories, we deserve a statement from the minister on this particular issue. I would challenge him to come out with a free enterprise stand such as that which is going to be presented to the people at the next election. It seems to me the free enterprise stand should be to give Canadian Pacific whatever they want. If you are going to be a free enterpriser you have to widen the opening in the gates for competition. Let me underline the fact that this is not our position. It seems to me that in a battle between free enterprise and socialism, this is what you have to do. I expect before this debate is over we will hear from the minister what the free enterprise position of the government is in relation to this issue.

One other point upon which the minister did not touch to any great degree is the situation with regard to the St. Lawrence seaway and the fact that the seaway has not been bringing in the amount of revenue which had been estimated. The minister is aware that there is still a very strong feeling in certain parts of Canada, particularly in the Welland-Niagara area, that tolls on the seaway at the present time are discouraging traffic through the canal. There are still demands that tolls, in so far as Canada is concerned, should be wiped out. In essence, if you abolish tolls, you would be putting the government in the position of completely underwriting a service and getting no return from the private users of that service.

In one sense I suppose this is a denial of government intervention or the mixed economy. In another way, we need an explanation from the minister as to what the views of the government are. Again, as has so often happened in Canadian history, the government has taken the lead in providing a service and that service, in terms of return, does not match what was expected so we, as taxpayers, are underwriting the venture. What is the consistent approach, if you are going to provide a service like that? It seems that we would be on much better ground if we forgot about the tolls, and if we looked at services such as the St. Lawrence canal as vital to providing a traffic condition in the

country that we have needed to keep improving since a time prior to confederation and then to accept the fact that is a basic service that must be provided for.

From the canal situation I turn to what I think is a most expensive future aspect of transportation services as it relates to air. If any hon. members look at the charts at the back of the annual report of the department, I think they will note the astronomical rate of ascent of the expenses for air services and there is no indication at all that we have any horizon in sight. The cost is tremendous. This matter is having repercussions, but again the minister did not mention it in his address as far as I know. I refer him here to an article in the *Financial Post* of April 29 of this year which reads "Airlines pile up moans at cost of D.O.T. services".

The minister knows that D.O.T. is having difficulty in collecting from foreign air lines for the services we are providing. These services are tremendously expensive. When one looks at the aspects of meteorological services and telecommunications and realizes that as the jet age advances they are going to become more prosperous, I should like to ask again this question: Where is the free enterprise versus socialism philosophy in this matter? How do you adopt a free enterprise versus socialism philosophy and yet continue to go on providing these tremendously expensive services and extensions of services for what is in essence a fairly small sector of the country and a fairly small sector of the travelling public? It is this kind of paradox which makes this department a particularly fruitful field for inquiry on the basis of free enterprise or socialism or a middle of the road mixed economy. What are we getting into with the spiralling transportation costs in terms of the ethic that the Prime Minister has announced for his party? I think we deserve some kind of statement on this matter.

I would imagine that the costs in the next ten years would be well over $1 million just for air services and for those ancillary things that are required. I am sure we can afford this amount and I am sure these things should be provided. But when you provide this sort of thing, is it fair to accept the argument of Mr. Grant McConachie that Canadian Pacific Airlines deserve a chance to compete for and to get their share of the business in air travel? The Lord knows that the return one gets, whether it is from T.C.A. or C.P.A. or any other line, for the provision of services is just a pittance. I ask any hon. member to look at the fees which the Department of Transport gets from the provision of air services as against the expenditures. I refer not only to the capital expenditures which are growing but also to the expenditures required just to keep the services in existence. No one would want to contend that we should go back to the horse and buggy days. Neither do we wish to restrict the development of these services. However, we need to see the provision of these services against the background of this free enterprise cry of the C.P.A.

One thing about Mr. Crump's announcement that intrigued me was this. If any hon. member looks at the historical review of the Canadian Pacific Railway as provided by the dominion bureau of statistics he will see in there a number of items which indicate that the C.P.R. has had provided over a number of years a tremendous amount of subsidy from the Canadian people both in terms of money and in terms of resources that were turned over to the railway. This fact again highlights the continuing dilemma in Canadian transport: What do you do from a free enterprise point of view or from a mixed economy point of view or from a socialistic point of view? I suggest that there is a great inconsistency in any political party that stands for free enterprise and yet continues to go along in the way in which the minister went yesterday with his announcement that we are going to underwrite 40 per cent of the cost of ships built in Canada.

One of the other aspects of which I thought the minister would treat is the following which I know is a delicate matter. No one wants to talk about this matter really and yet we have a very definite trend. I refer to the matter of winter transportation in the St. Lawrence river. I am sure the minister has seen the story in yesterday's *Financial Post* relating to the excitement of the gulf ports such as Baie Comeau and other ports like it, over the fact that their winter shipping is going ahead by leaps and bounds.

We know that there are now icebreakers and mechanical devices which can keep the port of Montreal open for almost the whole of the year. We also know that this is a delicate political problem because it is going to have its repercussions and its effects upon Halifax and Saint John. Yet I had a figure given to me by a man who is very prominent in shipping. He pointed out to me that the average saving per ton on freight coming through Halifax and Saint John in the winter as against that coming through Montreal is $12 a ton in favour of Montreal. One only has to look at the amount of freight coming through the two maritime ports in order to realize that we are in effect subsidizing the Atlantic ports by not pushing very strongly a policy to open up Montreal to winter

shipping. Again, there are political situations that need to be accounted for. But how can a free enterprise party continue to allow this kind of lack of efficiency to go on? I refer to shipping that costs $12 more a ton in effect to bring the goods to the Canadian people through an important part of the year when there are techniques and ships that can keep Montreal an open port.

One of the problems that always comes to mind in transportation as against other problems which the government faces relates to the matter of jurisdiction. That is one of the great excuses for all of us as politicians. I am sure every hon. member has been struck by this fact. If you are making a speech and somebody nails you with a question there is always a certain amount of delight in being able to say that this is really a matter for the provinces, and you can shrug off the responsibility. This just happens to be a department in which, except for the field of trucking, there is very little chance to shrug off anything because of the jurisdictional angle. For that reason it seems to me that this department, perhaps more than any other one, gives the government the opportunity to work out a coherent transportation policy for all parts of the national picture.

In that regard I should like to say this to the hon. member who suggested that the department be broken up—at least that is what I understood him to say—that it is really too big for any one man to administer. This is an argument that I have placed twice before the House of Commons in previous years and I am beginning to have doubts about it now. I am wondering if what we do not need is perhaps some more deputy ministers within this department or perhaps under ministers and then to have the minister in charge of transportation doing the job of trying to relate all the shipping and transportation problems we have in Canada; then have some five year or 10 year plan that will set objectives, set the amount of money we wish to spend and work out the amalgam we are going to have between private bodies and public bodies.

To me it is a striking thing that the royal commission on transportation really is not a royal commission on transporation but is just a royal commission on railways. I notice that a great many people have taken from the report of this royal commission that it stresses competition as the main factor in existence today within the transportation business. This is so. But one needs to underline the fact that this is competition between types of carrier services and not basically competition between carriers themselves. I can see in our transportation picture no efficacy of cutthroat competition between the carriers themselves.

The Chairman: I am sorry to interrupt the hon. member but I must inform him that his time has expired.

Some hon. Members: Go on.

The Chairman: Does the committee give consent to the hon. member continuing?

Some hon. Members: Agreed.

An hon. Member: Ten minutes.

Mr. Fisher: I should only be another few minutes.

The competition which the transportation commission stresses is one which seems to me has some imperfection to it, as far as the government approach is concerned, because if we do not make some decision as to what is the best kind of service in certain areas we are going to have to have a dual service in which the various elements are rivalling each other. We can see this between T.C.A. and C.P.A.; we can see it between the various trucking companies. The approach to a solution, it seems to me, would be for the Minister of Transport to take as his goal some kind of integration of the transportation picture within a five year or a ten year plan and explain to Canadian citizens where we are going in transportation and how much it is going to cost.

I should like to offer one opinion on the matter and that is we should not be scared of either of these things; we should not be scared of this free enterprise idea and deciding that we are going to sell all government enterprises off. At the same time I do not think that in the trucking field we should go forward with the conception of underwriting all these truckers and, in effect, building up some kind of naturalized industry. It seems to me that in the next ten years what we need is some idea of our goal and how we are going to get there, and some lessening of the duplication we have. It seems to me that one thing which is required immediately is the bringing together of the transport industry within the ambit of the board of transport commissioners and some kind of integration between the various transport commissions we have at the present time. I am thinking of the national energy board, the board of transport commissioners, the air transport board and the Canadian maritime commission.

The last remarks I wish to make at this stage relate to the C.N.R. and the fact that we still have not had the president of the railway before the house committee. I do

no want to impinge on the debate which was suspended on this matter but I do want to stress definitely that since I made some remarks in this house in that debate relating to my view that it was time for Mr. Gordon to go, I have received, and I am not exaggerating, hundreds of letters, wires and cards from employees of the Canadian National Railways. I received only one card that disagreed with me. That came from a little place in Saskatchewan, Tisdale, and was to the effect that no one with an English name should at any time be criticizing a good Scotsman like Mr. Gordon. All the railway workers agreed with me. Some of them pushed it even further. The point it reinforces for me in terms of this response is that the president of the Canadian National Railways has lost the confidence of his employers. I hope the government and the minister are giving very serious consideration to replacing that gentleman at the earliest possible time.

Mr. Brunsden: The hon. member used the term "employers". Did he mean "employees"?

Mr. Fisher: I have forgotten the context, but I was referring to employees.

(Translation):

Mr. Johnson: Mr. Chairman, I should like at the outset of my remarks to congratulate the Minister of Transport (Mr. Balcer) not only for the work he has accomplished since his elevation to that office, but also for his appointment to the Department of Transport, for the good reason that this is the first opportunity I have had to congratulate him in this house. I find that, since his appointment to the post of Minister of Transport, the present minister has been successfully continuing the work of his predecessor and is doing a gigantic task in the service of the whole country, and particularly of the province of Quebec.

Mr. Chairman, I know you will not mind my saying that the province of Quebec is proud to see one of its sons, a man of the ability of the present Minister of Transport, in charge of such an important department. Since I am allotted only a limited time to deal with various matters, I should like to reply forthwith to the remarks made this morning by the hon. member for Laurier (Mr. Chevrier) with regard to the maintenance staff in the building sold by the C.N.R. to the Quebec government. I asked the hon. member for Laurier whether he did not feel that the Quebec government, through its public works department, should take on the former C.N.R. staff, since the building in question is now the property of the Quebec government, who got it at a more than reasonable price.

If it is true, as indicated by the Liberal platform last year during the provincial election campaign, and as the Quebec premier took pleasure in repeating, that unemployment is primarily a problem of concern to provincial authorities, it is the duty of those authorities, who have entered into a contract with the C.N.R., to take on again the C.N.R. employees who were laid off as a result of the sale of this building to the provincial government. In fact, the Quebec provincial department of public works could employ those same workers, thus avoiding a rise in unemployment in Montreal.

Obviously, if C.N.R. officials did not see fit to insert a clause to this effect in the sales contract, they deserve to be blamed for not doing so; however, I believe the only person who can solve this problem is not the federal Minister of Transport, but the minister of public works of the province of Quebec.

Mr. Chairman, I would have liked to deal more extensively with this subject, but since my time is limited, I turn immediately to the matter that I want to consider more specifically this afternoon and which is being more and more talked about—the deepening of the Richelieu river.

Mr. Chairman, I feel this project is worthy of the greatest consideration on the part of the federal government, but before stating the problem as I see it, I think it should be said that all responsible associations, like the Quebec chambers of commerce, various committees composed of prominent citizens in the Richelieu area and even government opponents recently converted to the idea of this project—in particular the Liberal members—all agree that the government should be requested, not to start work immediately on the construction of the canal, but to have some kind of an agency determine whether the project of a waterway between the St. Lawrence river and lake Champlain via the Richelieu river would be a paying proposition.

At the moment, United States authorities seem prepared to undertake joint surveys with the Canadian government, either through the international joint committee, known as the international joint commission on boundary waters, or a United States-Canada commission, so as to come to a definite conclusion as to the economic feasibility of this project.

I know the cost of this undertaking will be extremely high. In fact, back in 1937, it was said that the dredging of a 27-foot channel in the Richelieu river would cost some $342 million. At present prices the cost would be about $600 million, maybe more. Therefore, the matter should be carefully considered and the project should be studied from every angle before it is undertaken.

Mr. Chairman, in my humble opinion, if the Canadian government were to undertake a survey like the one I referred to earlier, we would get an answer to all the problems created by the deepening of the Richelieu; I therefore hope that our government will at the earliest possible moment, announce its intention of carrying out such a survey.

(Text):

Mr. Chairman, first of all, I should like to place some emphasis upon an area close to Montreal which would, at the outset, be the principal beneficiary of the modernization of the Richelieu canal system. For convenience in discussion, I have given this area the title of the "Canadian golden triangle".

I should point out that this title is now in use in the United States. For many years the name has been given to a tongue of land in the city of Pittsburgh, which is bounded on both sides by the Alleghany and Monongahela rivers, which join to become the Ohio river, thereby forming a triangular peninsula which is called the "golden triangle" by reason of the fact that the aforesaid tongue of land is completely covered by skyscrapers without a blade of grass in sight and is very comparable to the lower tip of Manhatten island, New York. It is hardly necessary for me to point out that the fabulously wealthy city of Pittsburgh is—besides having other distinctions—the steel capital of the entire world.

I have, therefore, given this name to an area of land on the south shore of the St. Lawrence river just opposite Montreal which is roughly triangular in shape and bounded on three sides by: (1) the St. Lawrence river from Sorel to Laprairie, or Candiac; (2) the Richelieu river from Sorel to St. Jean d'Iberville; (3) the area between Laprairie and St. Johns.

This area is what I have designated as the "golden triangle" of Canada, and I shall clearly demonstrate how richly deserved this appellation will be in a very few years' time. It will qualify as the greatest concentration of industrialization in all Canada. May I be allowed to state here, Mr. Chairman, that the beautiful towns of Chambly, Fort Chambly, Richelieu and St. Mathieu are located in the heart of this triangle.

It is doubtful if a high percentage of the citizens of our Canadian metropolis are aware that over 14 per cent of the population of this country live in greater Montreal, and with no decrease in the tempo at which their population, industrial expansion and building construction are assuming progressively larger proportions. The transformation presently taking place on Dorchester boulevard in Montreal, is a sufficient indication of things to come, and proves that Canada's largest city is now bursting at the seams, and for some years has been obliged to search for suitable factory sites far beyond the city limits.

Montreal has the principal car shops and other major installations in Canada for the servicing and reconditioning of the rolling stock of our two railways. Its new international airport has facilities second to none on the continent, it is Canada's principal seaport and has now embarked upon an era of terrific industrial expansion. But where? Not to the west of the island of Montreal where expansion is circumscribed by several non-navigable streams and inferior transportation and service facilities. Nor would expansion northwards toward the foothills of the Laurentian be attractive because of increasing remoteness from the facilities of the port of Montreal, and also because of inadequate rail communication. East of Montreal on the Quebec mainland, lies a large strip of somewhat desolate farmland with no sizeable municipality between Montreal and Three Rivers. There would be no adequate provision for housing for factory workers.

Actually the port of Montreal has recently extended its jurisdiction to cover an additional 25 miles downstream along the north shore, but solely in order to ensure that no new waterfront construction will hinder the future development of Montreal navigation and port facilities, which already have reached the saturation point. Some people have emphasized the fact that it will be many years before there is any perceptible change in the Montreal harbour picture downstream from the city. It is, therefore, very obvious that the logical extension of Canada's largest seaport can take place only on the south shore of the St. Lawrence, an area which has none of the disqualifications that characterize the other three major areas to the north, east and west.

Furthermore, shipment of merchandise manufactured in industrial plants situated to the north, east or west of Montreal can only

reach the harbour after the usual annoying delays encountered because of the serious traffic problem in this metropolis, for which no alleviation appears to be in sight. Contrariwise, the situation is becoming worse.

Implementation of the Richelieu canal modernization project should, of course, be a highly desirable concomitant to the utilization of the south shore or the extension of the port of Montreal facilities. The physical aspects of the canal project are briefly these; to deepen the present Richelieu canal, which now has only a depth of six feet and is about 100 years old, to 26 feet, the same as the seaway and, the construction of a new 15 miles of canal from Longueuil to Friar's island or from Laprairie basin, if the route from Sorel to St. Johns through the Richelieu river itself proves to be not economic or not logically possible. This canal, when completed, will provide the third side of the golden triangle. Two entrances will thus be available for United States bound traffic; (a) one at Sorel, Quebec, to handle upriver traffic from Seven Islands, Three Rivers, Port Cartier, European ports, etc. This would be a short route for iron ore shipments from new Quebec and Labrador, and newsprint from Three Rivers where the world's largest pulp and paper mills are situated, destined for New York city, which consumes one million tons of newsprint annually. And (b), the Longueuil entrance to the canal to be used for shipment to and from Montreal, the upper St. Lawrence and great lakes ports.

Admittedly, implementation of the canal project would be extremely costly, but as well as lower shipping costs for Canadian products to United States markets, commensurate benefits would similarly transform the economy of three large United States industrial states, New York, New Jersey and Pennsylvania.

It will be noted that I respectfully recommend the deepening of the waterway to 26 feet—the same as the seaway. Already Lieutenant Colonel Lucien Dansereau, a member of the international joint commission, has indicated that he, having made an intensive study of the project, as well as official Washington, would recommend that we go along, as of now, on a basis of a 12-foot depth of the canal, but I feel that if the costly undertaking were justified at all, it should have the same depth as the seaway. I feel we should adopt that position rather than compromising on the 12 feet and then, I am sure, having all the expense of a further inevitable deepening in years to come.

It will be readily seen that a 440 mile waterway between Montreal and New York, instead of the 1,670 mile trip down the St. Lawrence, around the Gaspe peninsula and thence along the Atlantic coast, would represent an enormous saving in transportation charges on many millions of tons of waterborne freight, annually.

I should like now to make reference to the hazards of the Atlantic route during war time. An aspect of this question that we cannot possibly afford to ignore concerns the effect that another world war would have upon the safety of our Atlantic communications. One of the latest editions of Janes' "Fighting Ships" published in London—conceded to be the leading authoritative reference for all statistical information concerning the navies of the world—claims that soviet Russia has 500 submarines available for Atlantic service, an undisclosed number of which are nuclear propelled and equipped with the latest in armaments. Janes do not exclude the possibility that certain of these submarines will be able to fire ballistic missiles without surfacing. R.V.B. Blackman editor of Janes, says:

> In the event of hostilities, the allied navies might be threatened by 450 to 500 submarines, and the damage they could inflict on our material, personnel and economy staggers the imagination, when it is remembered that at the height of world war II, a little more than a fifth of this total were enough to bring the United Kingdom to the brink of starvation; not only as regards food for Britain's population, but as regards the vital raw materials required to prosecute the war.

Janes further believe that Russian submarines could seal off all communications between Europe and America, and it is well known that Soviet underwater craft have been caught making reconnaissances in the gulf of St. Lawrence, off the American Atlantic coast, and the coast of Argentina as well. We now live in a very small world.

The exposed Atlantic route would accordingly not be available for iron ore shipments from Port Cartier and Seven Islands once a world war got under way. So a short, deep water, sheltered route of 450 miles only between Montreal and New York is an absolute must.

Incidentally, Rear Admiral H. F. Pullen, flag officer, Atlantic coast and commander of the Atlantic submarine area under NATO, in a powerfully argued article appearing in the *Atlantic Advocate* of January, 1959 took a very pessimistic view of our defensive resources against the nuclear propelled Soviet submarines, some probably armed with ballistic missiles, which might even be capable of being launched by a submarine without surfacing.

Canada is not a member of the nuclear club; but we must agree that upon what success the western nuclear powers have in

establishing amicable relations with the communists will depend whether we have peace or war.

All the United States authorized groups and organizations, having either a geographical, economic or political interest in the implementation of the project, have been working feverishly to get the canal modernization under way, such as the state of New York, the state of Vermont, the joint state, New York and Vermont, commission on the Champlain basin, the port of New York authority and the United States army corps of engineers. Besides, the congressional delegation from both these states I mentioned have instructions from their state governments to place pressure on Washington to schedule an early commencement of the project.

There is little doubt in my mind, Mr. Chairman, that if the Kennedy administration can be persuaded that the short, modernized, sheltered waterway between Montreal and New York is absolutely necessary to over-all continental defence, Washington may not be inclined to take no as Ottawa's answer; there is too much at stake. The project was also strongly endorsed by Governor Nelson Rockefeller during his gubernatorial campaign. It is perhaps unfortunate that practically all of the physical and engineering aspects of the work lie in Canadian territory.

Let me return for a moment to the potentialities of the "golden triangle". Here are some highlights that were suggested by competent observers. It contains the entrance to the St. Lawrence seaway. It would contain all entrances to the proposed Richelieu canal. At this point let us not forget that the valley of the Richelieu river is the cradle of the Canadian nation. It is the hub of direct rail routes and highways connecting Montreal with (a) the eastern United States, wherein lies the greatest concentration of United States markets and industrialization; and (b) direct rail routes to the maritime provinces. The Steel Company of Canada is now operating its new $10 million plant at Contrecoeur. The Quebec Iron and Titanium Corporation has spent an additional $5 million on new plant facilities, making $80 million in all invested by this ambitious company in Quebec province. Thousands and thousands of new jobs are already available. Nationally known companies have allocated a total of $500 million for plant facilities in the area, either already completed, under construction or projected, with a potential of 70,000 industrial jobs on completion of the schedule.

[Mr. Johnson.]

Natural gas from western Canada is almost available in the triangle for industrial and residential purposes. The area is also serviced by the Shawinigan Water and Power Company or, rather, its subsidiary, the Southern Canada Power Company and Hydro-Quebec. The tonnage of two-way traffic anticipated for a modernized Richelieu canal would be comparable with, or even exceed, present traffic on the seaway.

Many homesites approved by the crown company, Central Mortgage and Housing Corporation, as well as by industrial plants for their workers, are under construction in the triangle to provide adequate housing commensurate with the projected industrial expansion. Schools, churches, recreation and shopping centres will follow in due course. A large part of the triangle will be only 20 minutes distant from downtown Montreal.

I repeat, the "golden triangle" a few years hence could conceivably become the greatest concentration of industrialization to be found anywhere in Canada. I would therefore express the hope that the government will endeavour by every means at its disposal to keep implementation of the canal project very much in mind.

It may not be out of place, Mr. Chairman, when discussing developments of properties, whether in industrial or residential districts, or in desolate areas where an abundance of valuable mineralization has been discovered, to recall that in August, 1958, when opening the Canadian National exhibition at Toronto, our Prime Minister made a vibrant appeal for acceleration in the exploitation of our fabulous hinterland, and he further drew attention to the startling fact that only 10 per cent of the total area of our country is privately owned, the remaining 90 per cent of our vast expansive territory consisting of crown lands being held either by federal or provincial governments.

Those who remind us that a sizeable percentage of this area is uninhabitable tundra or barren land in the far north do not take sufficient cognizance of the fact that we are living in the atomic age. I believe that certain nuclear physicists of impeccable professional reputation have even hinted that outdoor air conditioning, climate control, may well be within the range of future possibilities. This could hardly be more fantastic than the circumnavigation of the earth by a guided missile, already a *"fait accompli"*.

Far too high a percentage of our native Canadians are completely indifferent as to the ownership of property, probably because Canada has more territory than she knows what

to do with. Most immigrants coming to Canada to seek homes and careers have been truly amazed at our general apathy when it comes to the acquisition of real estate. These new Canadians coming from the crowded countries of central or eastern Europe where every square foot of land has been chained down for centuries will often forgo the necessities of life in order to keep up their instalments on a piece of property in what they often call our undeveloped country.

What Canada needs more than anything else is a tremendous infusion of new wealth. We have at our back door the last natural treasure house left on the continent, with an abundance of valuable mineralization whose development is still in the early stages. Its exploitation should be accelerated as rapidly as the necessary capital and equipment can be obtained and, may I hope, primarily for Canadians.

Let me conclude, Mr. Chairman, with a reference to my own province. No government is perfect, but Quebec citizens have not entirely forgotten the achievements of the predecessor government of the province of Quebec for the benefit of Quebec agriculture and for the development of our superb natural resources as well as the massive industrialization program inaugurated and now attaining higher levels by leaps and bounds, and which will be crowned by the spectacular exploitation of the "golden triangle". There is no comparison between the transformation that has taken place in the economy of our province in recent years and contrariwise the lethargy and vacuum that characterized the Liberal regimes.

In point of history, Quebec is our oldest province and the intensive industrialization of the "golden triangle", not to mention new Quebec, will maintain the pre-eminence of the banner province for many years to come. Thank you.

(Translation):

Mr. Denis: Mr. Chairman, may I direct a question to the hon. member for Chambly-Rouville (Mr. Johnson)?

I should like to ask him who wrote the speech he has just read in English?

Mr. Balcer: You are so considerate.

Mr. Johnson: Mr. Chairman, I was not aware that the member for St. Denis wanted to be funny, though he did give us a sample of that yesterday. In any event, rather than making a fool of myself and making mistakes like he does when he uses English, I decided to write my speech and keep as close to it as possible in the delivery, something I have a perfect right to do. I would advise the hon. member to do the same, as it would improve not only his English, but also his French when he uses French.

Mr. Cardin: Mr. Chairman, I did not intend to take part in the discussion this afternoon, but it is so seldom that I have an opportunity to support a position taken by the member for Chambly-Rouville that I felt compelled to rise after him to urge the government to reconsider the possibility of going ahead with the Richelieu waterway project.

I must, however, express regret that the hon. member for Chambly-Rouville did not make his speech before the government took the decision last December not to go on with plans for deepening the Richelieu. It is a bit like locking the stable after the horse has fled. Perhaps the hon. member would have been in a better position than I to urge the government to give serious consideration to the Richelieu waterway project.

I attended the conference where the Minister of Transport (Mr. Balcer) stated that the government had no intention to go ahead with the project, and indeed saw no need to conduct a formal investigation of the scheme.

After hearing the speeches made in this house by the hon. member for Chambly-Rouville, as well as others who have referred to this matter, and after reading the briefs sent to the government by Canadian organizations as well as by representatives of U.S. administrations, I think the government should realize that the Richelieu seaway project is causing great interest everyhere. Very serious studies were made from the economic, as well as from the technical angles, and it seems that, not only is the project economically sound but is in the best interest of the Richelieu valley area, and also of this country's economy as a whole.

I deplore the fact that the house should not have been informed of the result of the surveys which the government says were undertaken with regard to the project. I also regret that it should be so difficult to find out the contents of the correspondence recently exchanged between the government of the United States and the government of Canada in respect of a joint study which the U.S. government is willing to undertake, because I feel that the expenses incurred for such surveys would be insignificant and that, because of the interest shown in this project, they would, to my mind, be amply justified.

The other day, during a discussion in this house with regard to the Richelieu seaway, the Prime Minister (Mr. Diefenbaker) suggested that the Liberals had never done anything about this matter since 1935. There seems to be some confusion in this respect, in spite of the fact that the reason for which it was impossible to make any further progress with regard to the project has been repeated over and over again. Therefore, I believe it would be well to say once again that a start had been made on the Richelieu seaway project and that some work was done in 1937, because, at the time, the St. Ours locks were deepened and extended.

It was also in 1937 that the Liberal government of the day built the Friar island dam which, as you know, has not yet been used but was specially erected for the purposes of the Richelieu seaway project.

Therefore, it is not only false but unfair to suggest that the Liberal government did nothing about it when, after all, the work had already been carried out at that time. On the other hand, there was, in 1937, the boundary waters commission, which, after studying the project, suggested waiting for the completion of the St. Lawrence seaway, before considering the deepening of the Richelieu; and that is exactly what happened.

I also would like to point out to the government, and more particularly to the Minister of Transport, that what we are asking today is not necessarily the completion of the Richelieu seaway, but simply that some serious consideration be given to the project. As you know, a project like this one requires a joint survey with the United States. That is all we, on this side of the house, are asking for at the moment. I hope the government will be in a position to reconsider that project more favourably and, at least, to agree to proceed with the already initiated economic survey.

The second point I should like to bring up is about the statement made yesterday by the minister. He surely knows how interested I have been in the legislation he is planning to introduce in the house to provide assistance to shipyards.

A shipyard in my riding has had trouble in recent years—as did all other shipyards elsewhere—in getting contracts and work for its skilled workers.

I do not know to what extent the measure announced by the minister yesterday will provide assistance to shipyards. At first sight, the grants seem generous and I imagine that many shipyards will use the money that the government seems prepared to make available to them.

If I am not mistaken, those grants will simply be included in the estimates and will not be provided by special legislation. I sincerely hope that this government's offer to the shipyards will not be shot through with administrative difficulties and that the assistance will be readily available to the shipyards.

On this matter, I suggest that the minister tell us in his reply whether the federal government's share of the cost will apply to all vessels or only to those of a certain tonnage. Will there be restrictions? For instance, will the cost sharing apply to the building of 10,000-ton vessels, to ocean-going vessels? Could the minister tell me also whether this cost sharing will apply to any ocean-going vessel, including freighters, tankers and liners.

Mr. Balcer: With my hon. friend's permission, I shall tell him at once that this will apply to any self-propelled vessel. It will not apply to barges towed by tug-boats, for instance. It will apply to any self-propelled boat. It will not apply, however, to pleasure yachts.

Mr. Cardin: I thank the minister very much for this information. I am all the more happy about the legislation he announced yesterday. At last, our shipyards will have the means they need in order to remain in operation.

However, I reserve the right to criticize the measure, if necessary, once it is implemented and after we have had a chance to see how it works. For the time being I congratulate the minister for announcing this measure which, I think, may provide assistance to the shipyards.

Mr. Chevrier: Would the minister permit a question based on the answer he gave to the member for Richelieu-Vercheres. (Mr. Cardin)? How much do the officials of the Department of Transport think it will cost to carry out the policy which he announced in the house yesterday?

Mr. Balcer: Mr. Chairman, as stated this morning, I intend to answer all those questions at the same time. I will answer this question when I answer those of the other hon. members.

Mr. Johnson: Would the member for Richelieu-Vercheres permit me a question?

He said a moment ago that the Minister of Transport had positively closed the door on the project. Is that really what he meant?

Mr. Cardin: Well, I was present at the conference when the minister made this statement, and I, like all the guests at this dinner, had the impression, that the minister had definitively closed the door on this project.

Mr. Johnson: I beg your pardon, Mr. Chairman, but I am making it a question of privilege. I was personally present at that conference, as was the hon. member for Richelieu-Vercheres.

Mr. Chevrier: That is no question of privilege.

Mr. Johnson: The hon. member for Richelieu-Vercheres stated that all the guests, all those attending shared the opinion he has now expressed. I object to such a statement and I could say, with equal truthfulness, that many persons suggested that there was still hope and that there had been indications that, because of the cost of the project, its implementation would be difficult for the moment.

Mr. Cardin: Since the hon. member does not share my views and is not yet convinced that the government has closed the door on the project, I would ask him to refer to the answers given by the Prime Minister (Mr. Diefenbaker) to questions on this matter only a few days ago.

Mr. Balcer: Mr. Chairman, the argument between the two hon. members has to do with a statement I made in Montreal. I am the one most involved, for it concerns parts of my speech. I would therefore like to repeat what I said at that time: "At the present time, an economic study is being made in my department on the possibility of deepening the Richelieu river".

This study is being contunued, but at that time I had come to the conclusion, after examining the different reports prepared on the subject by my officials, that the expenditure the project would require would not be justified in the circumstances.

Mr. Cardin: Mr. Chairman, would the minister allow me a question? Could he tell me whether the survey now being made by his department is another of those secret surveys that the house is never told about?

Mr. Balcer: Well, Mr. Chairman, everyone knows very well that the reports of surveys undertaken by the officials of a department are for the exclusive use of the department; they are privileged documents, never tabled in the house.

(Text):

Mr. Macdonnell: I should like to make a momentary interjection merely to comment on the speech made by the hon. member for Port Arthur. I tried to find him to ask him to come back into the chamber to hear this interjection, but I have been unable to do so.

The hon. member, in his speech, referred to criticisms he had received of Mr. Gordon, the president of Canadian National Railways. I regret that he did that, and I suggest that anonymous criticism of this kind from people who communicated privately with the hon. member, is unfortunate. I suggest further that the time when Mr. Gordon's ability, character and experience can be assessed is when he appears, as he will, before the relevant committee of the house dealing with railway questions.

Mr. Winch: Perhaps the hon. member for Port Arthur would like to answer now? I understand he will answer. Since the hon. member just entered the chamber, I thought perhaps he might have heard the interjection and desire to answer now.

Do I understand from the minister that after the first item of his estimates is carried he will supply the details relating to the subsidy on the building of ships? Is that what the minister intends to do?

Mr. Balcer: Mr. Chairman, what I said was that after every member has spoken on the first item I shall attempt to answer all the questions that have been raised. In so far as the questions relating to the new shipping policy are concerned, the answers to those questions will be covered by the regulations that will be passed by the governor in council and tabled in the house. I will certainly answer all the questions it is possible for me to answer.

Mr. Winch: The reason for my question is that I am most interested in knowing the details of this policy. As I said yesterday, I am a little bit disturbed about the amount of help this will be to the people on the B.C. coast. I am hoping the minister will give some indication as to how this policy is going to help the fishermen on the B.C. coast with the purchase of new ships.

In addition to that, we are now considering estimates which I understand were prepared months ago for this department. Am I right, sir, in believing that the minister now has to introduce supplementary estimates in order to get the funds required for his new policy?

Mr. Balcer: That is quite right, Mr. Chairman.

Mr. Winch: Can the minister give us an idea of the amount of the supplementary estimate?

Mr. Balcer: My understanding is that it will be a one dollar item.

Mr. Winch: That is the very reason why I rose. Do we understand then that the minister has no idea of what this is going to mean or what is going to be the effect? He is only going to put in $1. That means then that $1 is going to be of such a nature as to cover whatever it means, and I hope it means a great deal. How do we know the exact plan? Is it completely on the Canadian content of these ships or on the entire cost of these ships?

Mr. Balcer: I do not want to be unfair to the hon. member for Laurier who asked me a similar question earlier. I told him that I would answer him at the end of the debate on the first item. I do not want to be unfair to him and I also do not want to be unfair to the hon. member for Vancouver East. However, I will answer whatever questions he now asks and I will do so all together after the last speaker on this first item.

Mr. Chevrier: In view of what the minister said and of what was said by the hon. member who has just taken his seat, will the minister answer this particular question? As to this important program, consisting of two divisions, to assist the ship operators and the shipbuilders and the fishing industry—will all of it be put into effect by the insertion of a $1 item in the estimates.

Mr. Balcer: Yes. It will be inserted as a $1 item because there is no limitation to this subsidy. We do not want to restrict shipbuilding in Canada. I think our regulations will be drafted in such a manner that we can look after all reasonable requests from shipbuilders and ship owners. No ship operator, I am quite sure, will risk 60 per cent of the cost of a ship if there is no market for the services of that ship. However, on the other hand, if a definite amount were set up, the result would be to limit this subsidy policy and we do not want to do that.

Mr. Winch: That is the very thing that has me bothered.

Mr. Pearson: On that point, may I say this. Yesterday we heard from the minister a statement enunciating a very important policy in respect of a very important matter and making a far-reaching change in our shipping policy. That change is not to be made in this important matter by the introduction of legislation in the House of Commons. Legislation has been introduced during this session on matters of far less importance than the matters which were dealt with by my hon. friend yesterday. On this occasion in respect of this extremely important and far-reaching change of policy, the government is going to proceed by way of item in the estimates rather than by way of legislation. The government is going to proceed not only by way of an item in the estimates but by a dollar item in the estimates, a procedure which they used to attack very bitterly in the past in respect of far less important matters than a change in Canadian shipping policy.

The minister has said that it is necessary or desirable to handle the matter in this way because no one knows how much money may be required. That is perfectly true, but it does not prevent the government from making an estimate of the amount of money that might be required and putting that amount in an estimate. Then if it is not sufficient, they can always get extra money in the next estimates. There is no reason in the world why the matter should be dealt with in this way or why parliament should not be given some idea of the general extent of the program. However, in connection with a change in Canadian ship policy which is of national and international importance, we now find that this government is going to proceed by putting a $1 item in the supplementary estimates.

Mr. Winch: The Leader of the Opposition has in part covered what I wished to say when I rose. I must admit that I cannot understand the attitude the government is taking to this most important matter. It will, of course, be realized that the statement made yesterday by the minister was on a most important matter. I simply cannot understand the approach that is being made by the minister and by the government.

The minister has within the last five minutes said that this matter is going to be covered by a supplementary vote of $1. That statement indicates to me that he does not know what the program is going to cost. Not knowing what it is going to cost, the government or the minister puts in the supplementary estimates an item of $1. However, he told us yesterday it meant 10,000 direct jobs in the shipbuilding industry and 10,000 indirect jobs. If the minister can tell us, as he

told us yesterday, that it means 20,000 jobs, he must have some idea of the cost to the government over and above the cost of $1.

I say quite bluntly that if the hon. member was not being political yesterday because there is a by-election in Esquimalt-Saanich and because there are two shipbuilding yards in Esquimalt-Saanich, then he must have some information about the cost. In addition to that, there is this consideration. I am certain that every member of this committee will vote any money required to rebuild the shipbuilding industry of Canada. But the way in which the minister is now presenting the matter to us means that the House of Commons is completely in the dark and that he is asking for a blank cheque. I do not believe in blank cheques, Mr. Chairman. I do not believe in the $1 item technique in this instance. Surely the minister can give us more information, more direction or be a little bit more specific. Surely he can act more in keeping with the integrity of a cabinet minister and not so much in keeping with expediency having regard to a by-election in Esquimalt-Saanich.

Mr. Balcer: I think the document that I read yesterday stated in very clear fashion the shipping policy of this government to come to the rescue of the shipping and shipbuilding industries in this country which in the last 15 years have been left in an awful state by the previous government.

Mr. Pickersgill: And the present government. Hon. members opposite have been in office for four years.

Mr. Balcer: Yes; and we came up with something.

Mr. Pickersgill: Hon. gentlemen opposite have been in office for four years and this policy was forecast six months ago.

Mr. Balcer: The shipbuilders and the ship operators understood what I said yesterday.

Mr. Pearson: Parliament does not matter.

Mr. Balcer: What I said yesterday was that we wanted shipbuilding to have a chance to survive in Canada.

Mr. Winch: That is right.

Mr. Balcer: I think we are bringing in a measure that will really give us a place in the sun. What I said was very clear. We are giving a subsidy of 35 per cent on shipping built in Canada, to be registered under Canadian registry. This 35 per cent is given in order to provide an incentive. It will be put up to 40 per cent until March 31, 1963. In addition, we intend to help the fishing industry in a manner which would give our fishermen a chance to compete with foreign trawlers operating near the coast of Canada. We intend to help the fishermen who are working in very small boats. We are going to look after them, too.

Mr. Winch: Boat construction?

Mr. Balcer: If the hon. member would read what I said yesterday he would not be so worried. We are not doing this only to please the people from Esquimalt-Saanich. We are doing what this government has always done. We are trying to answer the needs of the Canadian people in general and, in this instance, provide help for an industry which has known great days in the history of Canada. Canada has always built ships. This new policy has been extremely well received by the industry, by labour, and by the public in general. I am asking all hon. members to support the government when it comes before parliament with such forward looking legislation whose only purpose is to help Canadians to help themselves.

Mr. Pearson: What the minister has said is, of course, completely irrelevant to the point we were discussing.

Some hon. Members: Oh, oh.

Mr. Pearson: It was completely irrelevant, and perhaps the minister will come back to the point and forget about the by-elections for the moment.

An hon. Member: Who spoke about them?

Mr. Pearson: The minister has said that this policy is of extreme importance and will prove of great advantage to the people of Canada. We hope it will. When the time comes, we shall make our views clear with respect to that policy. The minister does not intend to proceed with respect to this policy by way of legislation. He says we can proceed by way of legislation with respect to a good many matters which are of less importance, but when we deal with shipping policy —a policy which the minister says will put the industry on a new foundation—we are to proceed by way of an item in the estimates.

The minister said we have to do it that way, irrespective of the rights and privileges of parliament, because we do not know how much money we shall have to spend. But the minister told us yesterday we know how much more employment will be created—that it was going to employ 10,000 people directly and 10,000 indirectly.

Mr. Balcer: I said "over 10,000" and the reports of the shipbuilders say it will be even more than that.

Mr. Pearson: I hope it will be. Nevertheless, my point is this: the minister has the details when it comes to the employment which may be created but when we ask him how much this might cost he says he has no idea, so we are to proceed by way of an item in the estimates. We have to put an item of $1 in the estimates. That item of $1 was something against which hon. members opposite used to inveigh when we on this side formed the government. We may have to spend $10 million, $15 million or $20 million, but the hon. gentleman does not know how much; the government will spend whatever is necessary to put this policy into effect.

Some hon. Members: Hear, hear.

Mr. Pearson: But why not put down an estimate of what this project is likely to cost? If you need more money you can get more above $10 million just as well as you can get more above $1 million. Why put down $1 to implement a policy of national and international importance which is going to have such far-reaching consequences?

Mr. Winch: Mr. Chairman—

The Chairman: Is the hon. member about to ask a question? If not, other hon. members have indicated their desire to speak. I appreciate there has been a debate on a certain point but, I am trying to recognize alternately, as is the usual practice, those hon. members who have indicated their desire to speak.

(Translation):

Mr. Bourbonnais: Mr. Chairman, first of all I would like to congratulate the Minister of Transport (Mr. Balcer) for the decisively progressive policy he announced yesterday regarding coastal shipping in Canadian waters and shipbuilding.

With all due deference to opposition members who complain about this declared policy of the government, I am sure that it is an asset which will help solve the problem this industry is facing by improving the conditions in a field that has been neglected for many years by the previous administration.

I would like also to thank the minister for the kind support he gave me in all the representations made in connection with the Soulanges canal.

Last fall, at the request of the Vaudreuil-Soulanges voters, the minister was kind enough to use his influence to hasten the work on the jetties which now replace the swing-bridges over the Soulanges canal.

At the request of these same people, the minister agreed to set aside part of the properties along the canal, which will be used as a lure to get the industries that have been needed for so long in that part of my constituency. In fact the establishment of industries there would provide profitable and stable employment in a section of my constituency.

Despite the province of Quebec offer to take over the whole Soulanges canal, which would have relieved him of a heavy task, the minister, with all his many occupations, worked overtime in the interest of a population which is grateful to him for his devotion. May I be allowed here to thank him for that, both in my own name and on behalf of my constituents. With reference to the offer made by the province of Quebec to take back all properties along the Soulanges canal, I must say that, at first glance, one must be more than a realist not to accept it at once, because the decisions to be taken will affect the economic future of a whole area. I believe we must, by all means possible, ensure the prosperity of an area that deserves to be developed. The minister of fisheries and game of the province of Quebec wishes to obtain all properties along Soulanges canal in order to set up there a fish-breeding centre and develop camping grounds and parks for tourists. We approve all those projects and we admire those who planned them.

That is why we have refused to sell any part of those lands to private individuals. We were keeping them for the department of game and fisheries of the province of Quebec.

However, it is feared in Vaudreuil-Soulanges that the transfer of the canal to the provincial government will cause some trouble.

Over the past few months, hundreds of provincial employees who had lost their jobs have been replaced by supporters of the new party in power, as a result of directives from a group of patronage distributors.

The people of Vaudreuil-Soulanges would not want the plans worked out by the minister of games and fisheries of Quebec to be used only to reward those who voted for the party temporarily in power in Quebec.

I should like at this point to draw a comparison between what was done in Ottawa after the Conservatives were returned to office in 1957, and what has been going on since the Liberal party took over in Quebec last June.

Out of 600-odd federal civil servants resident in Vaudreuil-Soulanges, none have lost their jobs for showing a preference for any of the political parties represented in this house.

All employees who had been operating the Soulanges canal from the beginning have been able, through our efforts, to find other employment either on the St. Lawrence seaway or at Lachine or at Ste. Anne de Bellevue or elsewhere, or have been pensioned off.

The wholesale dismissals by the provincial government of workers who in fact had only exercised their rights as free citizens are not likely to improve relations with political opponents who have very different views on the way to deal with economic problems.

Such actions show a total lack of social sense and Christian charity. The Liberals should have shown greater wisdom and greater respect for the working classes of Quebec.

I feel duty bound to do everything in my power to protect from political retaliation on the part of the Quebec Liberal party, those free citizens whose only desire is to be able to earn an honest living.

Soulanges canal was built at the turn of the century for a specific purpose: to improve navigation between Montreal and the great lakes so that 14-foot draft ships could increase their cargoes between the two points.

It had never entered into the minds of the public men, of the economists and engineeers of that time to make it a fishpond or a tourist's paradise. Let the Quebec minister of game and fisheries think of turning it overnight into a hatchery, if he so wishes. Let him dream. But a canal, an economic instrument, cannot be altered into a centre for tourists and sportsmen without undergoing deep changes.

The Tory government is ready to let go of the most important section of the canal to serve this purpose. I refer to all the area west of Pointe Cascades extending for 13 miles in the direction of lake St. François and which includes:

1. A strip approximately 200 feet wide all along the south side of the canal;

2. About 10 acres of fine land and the power station at Côteau du Lac;

3. A piece of land of about 60 acres between the canal and the C.N.R. line near Côteau du Lac;

4. A large piece of land on the shore of lake St. François, at Côteau Landing; for which we refused $15,000;

5. All the land north of the canal where the provincial department of roads built highway No. 2 without having to pay anything for expropriation purposes. That is what the federal government is offering the department of game and fisheries for the fabulous amount of $1—referring to the amount of $1 mentioned by the Leader of the Opposition (Mr. Pearson)—this is a genuine offer of $1—not to mention the $100,000 it cost the federal government last fall to replace the swing bridges.

If we were asking half a million dollars for all those properties, the minister, Hon. Gerard Levesque, woud be justified in haggling about it, but we are offering him without any charge more than 90 per cent of the Soulanges canal properties.

We want to offer industrialists and people who are looking for an ideal site to set up an industry of some kind or to expand their present industries, the Pointe Cascades sector which is connected to the seaway, only two miles away, by lake St. François. We merely wish to diversify sources of employment in the Soulanges district. We feel that that is a sounder policy, that it rests on better principles than if Soulanges had all its eggs in one basket, as the Liberals would have it. We are anxious to please the tourists but we feel that our main concern must be the working class which would find permanent employment in the district through the establishment of small and medium size industries.

A campaign has been going on in Quebec for some time now whose object is to have French Canadians get control of part of their economy. Many of our young people wish to set up their own industry, but cannot afford to have their meager capital engulfed in one swoop in the buying of expensive properties near the metropolis. Our suggestion meets their desires and, if implemented, would be of a great help to them.

Let the Quebec game and fisheries and trade and commerce departments agree on a proposal which would reserve Pointe Cascades or a certain area of the canal for the establishment of small Quebec industries, and we shall lose no time in concluding this business about the Soulanges canal. But we do not want to have them talk only of fishing and camping. Low wage earners too are entitled to their share in the development of the Quebec territory.

The hon. member for Laurier (Mr. Chevrier) stated this morning that he had some knowledge of the petitions of the Soulanges chambers of commerce urging that the entire Soulanges canal be surrendered to the province of Quebec. Well, Mr. Chairman, there

is only one chamber of commerce in the whole Soulanges area. However, there is an industrial development committee whose purpose, as its name indicates, is to promote the establishment of industries in Soulanges.

Having attended a number of meetings of the Soulanges chamber of commerce and of various organizations in the area, I am in a position to state that the people of Vaudreuil-Soulanges are now prepared to accept for lack of anything better, the scheme put forward by the Quebec department of game and fisheries. But if some industry expressed a desire to locate at Pointe Cascades or at the other end of Vaudreuil-Soulanges and was able to provide 200 or 300 permanent jobs, the whole population would support the new scheme.

Besides, the federal government has no authority to promote any specific industrialization in any area of the country. There is no other means to encourage the establishment of industries in the Soulanges area than to announce that some crown buildings and lands, comprising the Soulanges canal property, shall be put up for sale, in accordance with departmental regulations and practices. In such a way, we shall know who is interested, what industries and investors wish to set up an industry in the Soulanges area. We shall know at the same time whether that area is suitable for industrial expansion.

Mr. Chairman, it seems to me our action should inspire the Quebec legislators, and that instead of trying to confuse the issue and multiply promises, they should show more realism and begin by carrying out their fish-breeding project and creating that anglers' and tourists' paradise in the area we have offered them.

(Text):

Mr. Chairman, I should now like to refer to another matter in respect of the Department of Transport in which I take great interest.

Having had the opportunity to meet members of the Canadian air lines pilots' association, I was shocked to learn how to what a marked extent our once dynamic aviation air lines industry, mainly Canadian Pacific Air Lines and Trans-Canada Air Lines, have lost business to their foreign competitors. This has had the result of forcing our major air lines to face the possibility of having to discharge nearly 100 pilots within the near future. The discharging of 100 pilots will result in approximately 1,000 jobs lost in hangars and airports, with a subsequent loss of employment for well paid technicians. It is pathetic to hear about the plight of professional pilots who will now have to emigrate to Europe in order to continue in their profession or abandon their profession and seek positions in inferior fields of employment. This same situation applies to thousands of skilled Canadian air lines' employees who will have to seek other sources of income.

This situation has been caused by an imbalance and weakness in the Canadian air lines as compared with the more aggressive foreign competitors on this continent and abroad. As an example of this I should like to cite a few facts regarding our major air lines' weakness in improving their methods in this field of transportation. I shall first list the routes from Canadian cities served unilaterally by foreign carriers. There exist over 2,000 miles Canadian-United States border between Toronto and Victoria, where no Canadian air line has scheduled trans-border rights. This large area of Canada is served by five United States carriers, which are as follows: 1. Edmonton-Winnipeg-Minneapolis-Chicago and the northwest; 2. Edmonton-Calgary-Great Falls-Denver-Las Vegas and Los Angeles; 3. Regina-Minot, North Dakota and north central United States; 4. Calgary-Spokane-Portland, San Francisco and the west coast; 5. Vancouver direct to Seattle-San Francisco-Los Angeles. These areas are served by the following air lines respectively: Northwest Air Lines, Western Air Lines, North Central Air Lines, West Coast Air Lines and United Air Lines.

No Canadian air line has the right to serve the capital of the United States from either Ottawa, Toronto or Montreal or western Canada. This service is provided by Eastern Air Lines and Northwest Air Lines exclusively.

Another imbalance exists because no Canadian air line is allowed rights over the following major North American routes: Ottawa-Washington, Toronto-Washington, Montreal-Washington and western Canada-Washington, which are served by Eastern Air Lines, American Air Lines, Eastern Air Lines and Northwest Air Lines, respectively. This same imbalance exists between Montreal-Frankfurt and Montreal-Amsterdam, which are served by Lufthansa and K.L.M., respectively.

A comparison can be made between the United States and Canada in respect of their air carriers between the United States, Canada and Europe. Whereas the United States carriers in 1960 enjoyed 50 per cent of the north Atlantic passenger traffic between the United States and Europe, Canada provided only 33 per cent of the scheduled passenger flights between Canada and Europe. This is apart from passenger charter flights where greater imbalance exists. On the north Atlantic routes, there are about 49 foreign

carrier weekly flights compared with 25 Canadian carrier weekly flights. This makes the percentage of weekly flights originating in Canada 33.8.

I submit that although a reasonable balance of flights exists on the Canadian-United Kingdom routes under the Canadian-British pool arrangement, this balance is completely destroyed by the fact that the passenger fare from western Canada to the United Kingdom through the New York gateway via Toronto is identical to that from western Canada to the United Kingdom through Montreal under the pool. I suggest then that the pool can be, and is being, circumvented by way of New York to an alarming extent. I point out that while the Canadian passenger may choose between 22 Canadian and 23 British flights per week under the pool arrangement, he has 45 additional British flights per week to choose from via Toronto-New York at the same price.

The above advantage to the British carrier is funneling Canadian passengers to the United Kingdom through New York. This advantage is also enjoyed by Air France, K.L.M. and Lufthansa to continental Europe. These foreign carriers maintain large sales offices in every major Canadian city. The figure of 33.8 per cent of the north Atlantic schedule air service from Canada now provided by Canadian carriers is being vastly diluted by the great number of weekly flights available through New York at the same price.

I should like to place on record a table indicating the number of weekly flights available to the western Canadian passenger on foreign carriers to Europe via New York:

Carrier	Flights per week
Air France	27
K.L.M.	25
Lufthansa	22
B.O.A.C.	45
Total	119

This is the total number of weekly flights operated by direct competitors in the Canadian market to New York-Europe.

Although figures are difficult to obtain on charter flights, the following is a good example of the lack of push on the part of our Canadian air lines' salesmen:

Charter flights planned for period May-September, 1961		
B.O.A.C.	North Atlantic	185
T.C.A.	North Atlantic	30
Charter flights operated May-September, 1960		
B.O.A.C.	North Atlantic	120
T.C.A.	North Atlantic	14

This gives a ratio of approximately six British charter flights to one Canadian on the north Atlantic. A similar situation is found in the north Atlantic air freight service. At the present time no Canadian carrier operates an all-cargo service over the north Atlantic. Total cargo carried over this route increased by 33.7 per cent—United States carriers included—during 1960. Total cargo carried in 1960 between Canada and Europe was 4,664.6 tons. The share of this amount carried by Canadian air lines in the holds of passenger flights was 1,518.6 tons. This amounts to 32 per cent of the total cargo carried to and from Canada and Europe. Scheduled cargo flights from Canada to Europe planned for 1961 are as follows: K.L.M., six weekly; B.O.A.C., two weekly; C.P.A., nil; T.C.A., nil. B.O.A.C. have two DC-7's converted to freighters and are converting two more. Canadian carriers have similar aircraft which are suitable for cargo conversion. In Canada we also have the best cargo aircraft in the world, designed specifically for air freight, namely the CL-44. To date, no Canadian carrier has given any indication of interest in this national achievement.

Another unfavourable imbalance in Canada-Caribbean scheduled passenger service is reflected in the following comparison. Eleven weekly flights are scheduled by foreign air lines from Montreal to Bermuda while only five are scheduled from Montreal and Toronto by Canadian air lines.

May I touch on the Pacific-Orient schedule passenger service. It is also important to point out that the main source of imbalance in this area exists because the Canadian carrier does not have United Kingdom landing rights on its Vancouver-transpolar-Europe route; the contention being that the greatest passenger revenue source lies between Australia, New Zealand, Hong Kong and the United Kingdom. Qantas, on the other hand, enjoys Orient-San Francisco-New York-London rights with pick-up rates between Vancouver and San Francisco. This places the Canadian carrier at a distinct competitive disadvantage.

The Canadian air lines pilots' association asserted, on the basis of many years of active association and participation in the Canadian aviation industry, that foreign carriers are getting far more than their share of the air passenger and freight service from this country. I am glad to present its suggestions designed with the sincere hope of giving some assistance to the minister in his consideration of this problem.

The following quotation has a point: "A recession is greatly a state of mind". This point is made in requesting a vigorous nationally sponsored campaign to encourage Canadian passengers and shippers to patronize their own air lines. Some non-members of A.I.T.A., and even some members of A.I.T.A., extend

special discounts to their own nationals. It is recommended that special discounts be granted to Canadian citizens by Canadian carriers in order to discourage the equal-fare drain of Canadian business to such gateways as New York-to-Europe and the Caribbean.

Extension consideration must also be given to air cargo. It is well known that the majority of stock in the major Canadian carriers is held by the Canadian railways. Consequently, it is understandable that considerable reserve will necessarily dominate any decision by these air lines to enter actively into the air freight markets to the detriment of their major stockholders. It is respectfully submitted, however, that it is this very prejudice that is allowing foreign air freighters to carry approximately 68 per cent of the Canadian cargo and mail across the north Atlantic.

While considerable air freight is being carried into and across the Canadian Arctic, this service is conducted in its entirety with completely antiquated, obsolete and often dilapidated air freighters of quarter century vintage, while the very best freighter in the world, the swing-tailed CL-44, very desperately awaits adequate orders at its factory at Montreal.

Consideration must be given to the equipment and reequipment of international and external Canadian carriers with the CL-44 with the objective of regenerating the Canadian air freight industry and stimulating the Canadian aircraft industry. The thought is respectfully offered that, while such action might have to be supported by government loans, it might also reduce the annual deficit now being borne by the government, through the capture of this country's rightful share of the world-wide cargo market.

It must be pointed out that while our two major Canadian air lines have been fighting one against the other under what is known as fair trade competition and that the respective mouthpieces of those companies have virtually managed their personal grievances rather than managed their air lines, great consideration should be given to affiliation of our Canadian air carriers.

It is respectfully suggested that an operational and economic affiliation between the major Canadian carriers would be far more beneficial to the Canadian economy than the pool agreement between a Canadian carrier and B.O.A.C. The Canadian carriers cannot afford the luxury of abrasiveness between themselves.

I submit that such Canadian operational and economic affiliation, as compared with Canadian-British affiliation, would so dovetail their routes as to offset seasonal revenue fluctuations with north-south routes against east-west routes. It is felt that only benefit could come from such an amalgamation not only to the carriers but to the Canadian economy as well.

I also submit that the existence of one-sided foreign service into and through Canadian cities as I have outlined earlier should not be tolerated by our country in that it can only contribute to the stagnation of the Canadian aircraft industry and air line industry and at the same time injure our economy. The government should apply vigorous pressure to equalize those areas where the Canadian industry is not enjoying a fair share of its own market, as I have mentioned earlier.

It is my contention that the major Canadian air lines in conjunction with the Canadian government during the years immediately following world war II were not sufficiently aggressive in carrying the Canadian flag to all parts of the world. I point specifically to K.L.M., S.A.S., Air France, Lufthansa, Sabena and even B.O.A.C. as national flag carriers of countries which were decimated by the war but which have nevertheless subsequently extended their air routes to every corner of the earth. Furthermore, I feel that great effort should be directed toward the acquisition of new routes for the major flag carriers of the Canadian air line industry.

Those responsible for the lagging of this once proud and vigorous industry, which put Canada on the air map at the very beginning of aviation and much earlier than most of our competitors of today, those responsible, as I said, for the present deficit of our two major air lines should take a new look at the possibilities of improving their companies' business through the information given them by the Minister of Transport and the Canadian air lines pilots' association rather than ageing through their personal feud. Thank you, Mr. Chairman.

Mr. Fisher: Mr. Chairman, I want to turn to a topic on which we have already had some information relating to the announcement as to shipbuilding, and I should like to place some questions and points before the minister. In his announcement as released yesterday the relevant paragraph on which I wish to touch reads as follows:

> However, at a very rough estimate I would expect this should cover between 7,000 and 10,000 man years of additional employment in each year for the next few years in our shipyards—

I am not concerned now with the equal amount of employment in other industries to which he referred. I just want to look at his statement and come back to the inability of the minister and his officials to forecast with any accuracy what the program will amount to in terms of expenditure and employment. I wonder whether the minister's officials have

looked at the statistics of the shipbuilding industry as revealed in the d.b.s. publication of that name. If the minister will take the year 1959 he will see that the statistics for that year in the shipbuilding industry show that there were some 14,000 workers, that salaries and wages totalled $62 million and that the gross value of the products turned out by these 14,000 employees was approximately $143 million.

If the minister could make a calculation of between 7,000 and 10,000 jobs, which is a very appealing figure, I cannot understand why he could not take the average wage as revealed in these statistics and arrive at the expenditure. There is a remarkable comparison all the way through. According to my rough division, the average wage or salary in the shipbuilding industry is around $4,100 a year. If you are providing 10,000 jobs this means a wage bill of approximately $41 million. If the wage bill in the shipbuilding industry in the past has been on the average approximately 45 per cent of the total gross value of the product as it comes out of the yards, this would indicate to me that the estimate of value is going to come out of this announcement, when you correlate the manpower figures with these figures, is somewhere between $75 million and $85 million, and 40 per cent of that at least in the next two years until 1963 cuts you back roughly to a subsidy on the capital cost of somewhere between $30 million and $40 million.

That is a sum immense enough and yet within frontiers that are understandable enough that we fail to see why the minister cannot give us something better than the dollar item that is going to appear in the supplementary estimates. If he can calculate this attractive figure of 7,000 to 10,000 jobs a year, it seems to me that he can take the average figures in the shipbuilding industry because, Lord knows, in an industry where you have unions you are not going to have any great changes either up or down in this pattern. There is a remarkable failure to provide us with a calculation and to provide the country with some estimate, like the job estimate, of what this program is going to cost.

I do not think we will quarrel with an estimated cost of between $30 million and $40 million with respect to the subsidization of the capital cost of shipping. We are not going to do that, but we think that for general financial purposes that is the figure that should be revealed to us and that is the kind of appropriation that should be set aside rather than this dollar item which just throws it wide open. I think we deserve an explanation from the minister as to why he would not push his estimate of the jobs into an estimate of the actual money that the program is going to cost.

There are two other aspects of the shipbuilding announcement on which we need some explanation, and I say this not in criticism but for understanding. One is the matter of Canadian content and how that is going to be written into the question of capital cost. I would assume that the Canadian maritime commission is going to be the body that will determine the capital cost of these vessels, and I am wondering whether it is going to continue under its previous instructions in relation to Canadian content and the encouragement of the use of Canadian machines and equipment within the ships.

The other point on which we deserve an explanation, since there is going to be nothing statutory in relation to this matter is the effect that the minister contemplates this program will have upon the Canadian Vessel Construction Assistance Act. The hon. member for Laurier mentioned this point. While this act, as most members will recall, is complicated in its application, it simply amounts to giving accelerated depreciation to firms for building ships in Canada. This is a considerable concession although apparently it has not been enough. We would like some estimate from the minister of what is involved for the Department of Finance or the Department of National Revenue so far as this act is concerned with relation to the new subsidy that is going into this field.

If we could have information on these matters during this debate on the estimates of the minister, we would feel much happier about the efficacy of this announcement. My colleague, the hon. member for Vancouver East, has suggested that he feels this legislation is related to the by-election in Esquimalt-Saanich. I will go him one further. I think it may be related to a much bigger election foray. I have no particular quarrel with that but if we are going to have this as a preliminary to tub thumping on the hustings I think we should have more information as to the cost and the application and as there is to be no statutory change I think the minister should give it to us now. We would especially like from him at this time the views of the Department of Finance in this particular matter, and I would ask him this question. Is it possible that the whole matter of what this program may cost will be revealed to us by the Minister of Finance when he brings down his budget?

To reiterate one part of my argument, I say that when you look at the d.b.s. statistics on the shipbuilding industry you see a remarkable stability in the correlation between

employees, wages and gross value of the product. Since the minister has had the temerity to give us the figure of 7,000 to 10,000 jobs and since we have this pattern established in the past, why did he not go further and give us, within the limits of this kind of accuracy, an estimate of what the program is going to cost?

Mr. Macquarrie: I should like to begin my remarks, brief as they usually are—

Mr. Chevrier: May I rise on a point of order, Mr. Chairman? I do not want to interrupt the hon. member who has just risen, but the former chairman had already recognized the hon. member for Fort William and I thought that was what you were going to do at this moment.

The Acting Chairman (Mr. Morton): May I point out that there may have been some confusion. When I came to the chair there was a list in front of me and the hon. member for Vancouver East indicated that the hon. member for Port Arthur was to speak in his place. I thought we were rotating back and forth and therefore the hon. member for Queens would be next and then the hon. member for Fort William.

Mr. Macquarrie: In that case, Mr. Chairman, the hon. member for Fort William will be even more pleased with my reference to brevity than were my colleagues on the Conservative side who showed their glee at that stage.

I should like to say how happy I am to congratulate the Minister of Transport upon his assumption of this important and very difficult portfolio. I have had the pleasure of knowing the minister for a long time, a good deal longer I would hazard than has the hon. member for Port Arthur, and I have admired him, and admired the things for which he stood. I am heartily enthusiastic about the great leadership he is giving in this difficult portfolio which means so much to the area which I represent. I suppose there is no minister in the cabinet who receives more letters from me, and I suppose from many of the maritime members, than does the Minister of Transport. In spite of the multitudinous problems we bring to him, he greets us with the courtesy which has always marked his relationships with other people.

We islanders live near the sea and many of us live off the products of the sea in an economic way, so transportation is of tremendous importance to us. One of the most important problems in the whole Atlantic area is this question of transportation. One of the drawbacks under which we have laboured for many years has been the inadequacy of transportation so we are, therefore, extremely interested in the type of minister who is in charge of this department. There are many items in the province of Prince Edward Island alone which are of importance to our economic life and upon which the actions and decisions of the government through this Department of Transport have a major bearing. Not long ago in the city of Charlottetown a new 7,000-foot runway was opened. This has meant a great deal to that community and to our province. Had this runway not been constructed, the very fine industry established by Enamel and Heating Products Limited would not have been possible. This new runway was sought by the city of Charlottetown for many years, and for many years it was refused.

We are pleased, too, with the developments in the marine service which have recently taken place. I thought it was very appropriate that the department's new boat based at Charlottetown, for the Charlottetown marine disrict, should be called the *Tupper*. Tupper was one of the fathers of confederation who performed so magnificently nearly a hundred years ago when he came to the Charlottetown conference, at which conference it has been said he formed an offensive and defensive alliance with Sir John A. Macdonald as he later came to be. I am pleased, too, that the department has authorized the construction of an additional ferry. I refer to the one which is under construction at Halifax, although little progress has been made on this vessel lately because of labour difficulties.

I was pleased this morning to hear the minister's reference to the extension of new facilities to the docks at Borden. He mentioned an impressive figure of $980,000. Recently we have seen his interest in the field of subsidies as indicated by the grant of a new subsidy to the important service between Prince Edward Island and the north shore of the St. Lawrence. This will be very helpful to our primary producers and will act as a stimulant to our whole economy. We have discovered in the maritimes that the development of the St. Lawrence seaway brings new prospects for trade with the area at the mouth of the St. Lawrence. Prince Edward Island, with its surplus of fine agricultural products, is ideally suited for trade with the north shore ports.

In this connection, I should like to say a word about the new chairman of the maritime commission. He is a man, it seems to me, who understands the situation and has been most co-operative and most perceptive in looking at the needs of the Atlantic community. I should like to mention one more item to complete my complimentary list before I commence making suggestions to the minister. I

want to mention the establishment of direct T.C.A. service to Halifax. With all due respect to other parts of Canada, I always thought it highly unfortunate that so many of our visitors from Europe made their first contact with Canada at Montreal. They then went across Canada and missed seeing the Atlantic provinces. No one could possibly know much about Canada with such a neglectful approach as that. It is possible now to land directly at Halifax and then start the journey in the Atlantic provinces where it should commence.

Mr. Chairman, in a previous session of parliament I used as a paper, one might say, the timetable of the Canadian National Railways. I was not asked to table the document because it is fairly well known. I was impressed then, as I am impressed now though still not favourably, by the comparison between the service provided by the Canadian National between Montreal and Ottawa, a distance of 116.1 miles, and the service provided between the city of Charlottetown and the city of Moncton, a distance of 126.8 miles. You leave Moncton at 2.40 and you arrive at Charlottetown at nine o'clock. When you leave Ottawa at 3.30, you get to Montreal at 5.30 o'clock. The difference is phenomenal. I would ask the minister to use his influence with Canadian National Railways to correct this situation as they seek to gain for themselves a greater share of the traffic. We all know the difficulties under which the railways are operating at this time. One of the keynotes in any program to attract a greater share of the traffic is good service. The kind of service I have mentioned to the capital of Prince Edward Island is not good enough. There is no reason why we should spend so many hours travelling from Moncton to Charlottetown. There may be slower runs in some parts of the country, but I am not familiar with many that would compare so uncomfortably.

We islanders never ask for too much and our suggestions are always moderate and modest, but there is one more item that might be brought to the attention of the minister. In addition to the old, familiar lifeline formed by the car ferry that runs between Tormentine and Borden, there has been established a new ferry between Wood Islands and Caribou, the latter point in the constituency of my good friend, the member for Pictou. The traffic increase on this run has been rapid in recent years. We have a very fine snipe appropriately named the *Lord Selkirk* which handles the traffic well and makes the run in proper time. Automobiles are moved on and off quickly with that new boat. There is also a fairly ancient ship which has a fine record and does its best but it cannot by any means cope with the demands of the traffic. Just as soon as possible—and we were talking about shipbuilding a while ago in this committee—I think efforts should be made to bring along either a sister ship to the *Lord Selkirk* or one as modern, effective and efficient. If that is done, it will look after, for some time, this section between Nova Scotia and Prince Edward Island.

I suppose no minister of transport would ever expect any Prince Edward Island member of parliament to discuss his estimates without making some mention of the ferry service between Borden and Tormentine. Indeed, if one went back over *Hansard* covering the debates of this house since Prince Edward Island entered confederation in 1873, he would find that was the one thread of consistency. Indeed, it is said that no Prince Edward Island politician ever really gets under way unless he has prepared and delivered one speech on transportation across the straits. If he has ever had any difficulty in getting across there, as have many islanders, he will utter that speech with all the more fervour and sincerity.

This does not come into the category of a request of the government. This comes in the category of consideration of the proper fulfilment of a confederation pledge. Ferry service is always on the minds of islanders because we regard this service—and we cannot help doing so—as an economic lifeline. This year the province of Prince Edward Island has endured the worst winter since 1905. I suppose this fact proves the old adage that the rain falls on the just and on the unjust.

An hon. Member: And snow.

Mr. Macquarrie: There have been many holdups in connection with the crossing of the ferries. Those in charge of the ships have done very well. But when you find the depth, width, extent and continuity of ice that there has been in the Northumberand strait in the last number of months—it seems like six months—the situation can be understood. Of course these matters are beyond the control of the Minister of Transport himself. Nevertheless it has brought into sharper focus than ever the problem with respect to this important ferry. I mentioned earlier the fact that an additional boat is being built at Halifax. This boat will certainly be needed. I would suggest that akin to that but separate from it is the very important consideration of a replacement of at least one of the existing boats. The secondary ferry the *Prince Edward Island* is a boat that is now older than is the junior member for Queens. When Robert Borden came to Charlottetown in 1911 —I was not there but I acquired this information through going back through the history—he said to the people of the island, "You

have been wanting a car ferry. Elect me as prime minister of Canada and you will get one". They did and he did. However, the same boat is still there doing valiant service. As much as we love Sir Robert Borden in Prince Edward Island and as much as we prize that old ship—it certainly was a credit to the builders—we would think that an urgent move to replace the *Prince Edward Island* would be very much in order.

The estimates of the Minister of Transport are before us, not those of the Minister of Public Works. If this latter were the case, I would be discussing the causeway. However, it is difficult to dissociate completely the two subjects. If the causeway should be proven not feasible, it would be up to the Minister of Transport, as the dominion minister responsible for overseeing this confederation pledge, to give us continuous and efficient communication with the mainland and it would be his responsibility to start a process whereby we would have the most up-to-date ferry service possible.

Mr. Pickersgill: Will the hon. gentleman permit a question?

Mr. Macquarrie: I expect that it is loaded, but I will be delighted.

Mr. Pickersgill: I was going to ask the hon. gentleman whether that last paragraph was a funeral oration on the causeway?

Mr. Macquarrie: A colleague observes that it was loaded. I think it is really far too soon for funeral orations.

Mr. Pickersgill: Just badly bruised.

Mr. Macquarrie: In fact, we in Prince Edward Island are hoping that the kind of orations we shall be making before very long will be those of great jubilation. Perhaps I had better not pursue the subject of the causeway at this time but leave discussion of it until we reach the estimates of the Minister of Public Works at which time I am sure the hon. member for Bonavista-Twillingate and I will discuss this subject to the nth degree. I know that we shall both be happy in our presentations, if nothing else. The arguments in favour of the causeway are very strong on the economic side because the maintenance of the service by boats has been an extremely expensive matter. The total cost of the capital spent on port Tormentine now amounts to approximately $25 million. The operating deficit since 1933 alone—and the minister referred to this in his opening statement—reaches the figure of $30 million. Therefore when the time comes to discuss the causeway in economic terms there will be some very good ammunition which I know the hon. member for Bonavista-Twillingate will support me in using, when the time comes.

Mr. Pickersgill: That is right.

Mr. Nowlan: But not for the same reasons.

Mr. Macquarrie: If, however, the causeway is judged feasible, and if it is undertaken very soon indeed, it cannot be completed before the *Prince Edward Island* boat aforesaid is too old for the service. Therefore, the minister will still be faced with the situation of providing yet another boat. I started off by saying that we are modest people, but I see no other solution to the situation except the provision of yet another boat.

No doubt the experts in the Department of Transport have looked at the figures with reference to travel by people from other parts of Canada, from the United States and indeed from other continents to Prince Edward Island. Back in 1943 fewer than 10,000 automobiles were carried across the strait. In 1947 the figure rose to 27,000 and in 1960 the figure was 171,500. I need hardly say that this is a growing service. I need hardly underscore the need for providing increased facilities. Last summer in the midst of the demand, I should say through you, Mr. Chairman, to the minister, the most elaborate facilities were provided in the trans-strait service. More boats were making more trips than ever before, and I am happy to say that the service was enthusiastically applauded by those who undertook it. As I mentioned with respect to the estimates of another department not so long ago, we had more tourists last year than ever before and it is likely their numbers will continue to increase, because once people come to Prince Edward Island they will return and tell their friends what a wonderful place it is.

We are counting on the Minister of Transport to see that our service will be so good that even if—God forbid—we have another winter as tough as this one, or as tough as the winter of '05 which I do not personally remember, we shall be able to get through the wind, ice, sleet and snow, and that he, like Robert Borden will update the transportation facilities and give us the finest and best type of transportation to the mainland we have ever had.

I wish I had time to say more, but I have given my usual undertaking to be brief. I should only say this. At times I have been a little disturbed that, perhaps, as a result of events which were taking place in Canada, if the party to which I belong should make an appeal to the people it might suffer the loss of one or two seats. However, having heard today the reactions of certain hon. gentlemen

opposite to the minister's splendid announcement regarding shipbuilding, recalling their reaction to the recent announcement made by the Minister of Agriculture concerning our sales of wheat to China, I have assured myself that even those limited fears were utterly groundless.

Mr. Badanai: I am pleased to rise to take part in this debate, and at the outset I wish to express my appreciation of the capable performance of the Minister of Transport since his appointment. The shipping policy which the hon. gentleman announced on Friday is without a doubt the best move that this government could have made toward the creation of job opportunities in the shipbuilding industries. I have personally advocated such a policy ever since my election to parliament in 1958, and I should like to quote a few paragraphs from a speech I delivered in this house on June 27, 1960, as reported at page 5451 of *Hansard*.

A few moments ago I was trying to point out the importance of having a Canadian merchant marine. The Canadian great lakes shipping industry could provide the foundation upon which to build an international commercial fleet worthy of a major trading nation. During the war, Canada built training and fighting ships. Some of these were built at the Port Arthur shipbuilding yard which at present is not doing much. However, this yard has the experience in both management and personnel to build ships for any purpose. It is regrettable that many ships of Canadian registry were built in foreign shipyards, and that many more are being built abroad. The federal government could bolster dwindling employment in Canadian shipyards by encouraging shipbuilding in every possible way. We are subsidizing wheat growers, hog producers, egg producers, coal mines, gold mines, and railways; why not give a little help to the shipbuilding industry? Why not reestablish the Canadian merchant marine which was allowed to disappear so ingloriously a couple of years ago? Whatever the circumstances surrounding the disposal of those ships, the action taken at that time has not added to the stature of our nation. If a mistake was made—and I submit that the sale of those eight ships to Cuba was a mistake—let us admit it and renew our efforts with the vigour which is the characteristic of everything Canadian.

I realize that enthusiasm for the idea of a subsidized merchant fleet would probably be challenged on the ground that it would result in additional taxes, but I submit that the benefits resulting from a policy of assistance to shipbuilding and the development of a merchant fleet would more than offset the cost of such a program.

Not long ago I saw a report in a newspaper to the effect that Greece intends to spend more than $10 million to build a fleet of six freighters for the great lakes-Mediterranean trade. This means that the Hellenic lines will be entering the St. Lawrence seaway for the first time. These ships will bear cargoes to and from such ports as Naples, Istanbul and Beirut, and they are expected to be put into service by the summer of 1961.

Where will these freighters be built? Not in Canada. Our exports and imports will be carried through the great lakes by vessels of other countries.

Canada builds fewer ships than Finland. Our deep-sea fleet, which ten years ago numbered some 200 vessels, is now less than a dozen and these are mainly oil tankers sailing between the United States and Canadian ports.

Our shores front on three great oceans, the Atlantic, the Pacific and the Arctic. I especially want to underline the reference to the Arctic ocean. If the Prime Minister's vision ever comes to fruition and we witness an increased development of the north the Arctic ocean will become a great sea lane. In addition we have the great lakes system which in itself could be classed as another ocean.

Despite all this other nations build ships for us. Other nations operate ships for us. All this is true, because we say we cannot possibly afford to build and operate ships ourselves. Then we wonder why we have so many unemployed. The time has surely come to sound a clarion call for the reconstruction and expansion of a national merchant marine. I commend the suggestion to the minister and to the government. They have the power to initiate a movement to bring back our merchant marine and establish our nation in the forefront of seafaring nations of the world. We are the third largest trading nation of the world but so far as shipping is concerned our position is not much superior to that of Switzerland. I sincerely trust that the government will take action as quickly as possible.

I feel strongly about this, Mr. Chairman, because as Canadians we are often prone to boast of our national resources. We boast about what we have under the ground and above it but we say little about the exploitation of what we have in our own country for the benefit of Canadians and for the benefit of those who will come to our shores in the years ahead. I commend to the government consideration of this great challenge that faces us from coast to coast.

I know that objections will be raised. Some will say that this is all nonsense and that it would cost millions of dollars. It probably would represent a large expenditure but it would be worth it. It would be a Canadian enterprise of which we would be proud and in years to come we could look back upon it as something worth while. Let this 24th parliament take action.

That is the end of the quotation from my speech.

At the Liberal rally held in Ottawa last January, at the meeting of the committee on transport I moved a resolution which met with the approval of that body. I quote that resolution because I wish to have it on the record:

Whereas the greater proportion of world's commerce is still being carried by sea going ships, and

Whereas Canada is the world's third trading nation, but no ships flying the red ensign are ever seen on the sea lanes of the world, and

Whereas ten years ago our deep-sea fleet numbered 200 vessels, now being down to fewer than a dozen, namely oil tankers, and

Whereas our shipbuilding industry is now practically at a standstill with thousands of skilled workers unemployed,

Therefore, be it resolved that a Canadian merchant marine be established, and that a formula of assistance to Canadian shipyards be considered, to stimulate shipbuilding in Canada.

It is only natural, therefore, Mr. Chairman, that I should be pleased with the announcement made by the minister to the effect that Canadian shipowners will be able to obtain

new vessels at reasonable and competitive prices instead of having them built abroad because of lower construction costs. I assume that this will be accomplished with a formula of subsidies which might bring about the gradual creation of a Canadian merchant marine and the beginning of a deep-sea fleet.

Perhaps the government could give some consideration to the establishment of a Canadian coast guard, something which the advent of the St. Lawrence seaway has made not only desirable but necessary. Of course the coasts of the great lakes are not the only coasts that need guarding; both the Atlantic and Pacific coasts require patrolling. Coast-guard vessels are badly needed and I hope that in this new Canadian marine policy will be included a provision for a Canadian coast-guard.

On April 18, 1961 I asked the minister whether he was in a position to indicate to the house if the government intended to bring in legislation which would eliminate unfair competition from commonwealth registered ships which are now permitted to carry goods between Canadian ports. The reply is found in *Hansard* for that date at page 3747 and reads as follows:

> Mr. Speaker, I am looking into the matter at the present time. Further examination by my department is necessary. As I indicated previously, I expect to have something to say about shipping policy generally before this session ends.

The announcement has been made that consideration has been given to these problems affecting the great lakes areas due to the commonwealth shipping agreement under which vessels of commonwealth registry are enabled to engage in domestic coastal trade. The government is evidently conscious of the unfair competition of these ships of commonwealth registry, which is adversely affecting Canadian ships. All in all, the announcement should be welcomed by most Canadians.

I should also like to say a word about the seaway which is now beginning its third year of operations. Ocean-going vessels are now seen on the seaway from Montreal to the Canadian lakehead, and with the enlargement of the Welland canal, the effects are more clearly seen, and ever increasing traffic can be safely predicted.

As an example, the total overseas imports into both Canada and the United States, through the St. Lawrence section of the seaway increased 400 per cent since 1958; a gain from 500,000 tons to 2.1 million tons in 1960. Seaway borne exports expanded even more in 1960, amounting to 5.3 million tons, nearly 10 times the 1958 figure.

[Mr. Badanai.]

Overseas exports of wheat carried directly from the lakehead ports of Fort William and Port Arthur which, before the opening of the seaway, was only a small amount, now accounts for nearly 5 per cent of Canada's total wheat exports. It has been reported that 750 ships will be required to carry the wheat which was sold recently to China. I wonder whether it would not be as economical to move some of this wheat through the lakehead ports and around the Panama canal. Of course, this may not be a practical idea, but it could save on the cost of shipment by rail from Manitoba and Saskatchewan to the Pacific coast.

With all its growing pains and difficulties encountered, especially during the first two years of operation, we can safely say that this gigantic enterprise has certainly proved its worth, and that it will be, and is, a great monument to those who conceived the idea, and those who made the decisions to proceed with the project.

On March 2 of this year the minister addressed the annual meeting of the Fort William chamber of commerce, and he devoted a major portion of his speech to air transport.

There is no question that the airport which serves Fort William, Port Arthur and district, has developed to the point where it requires extensive expansion if it is to meet the continuing increase in demand for air transportation, which has indeed become an almost integral part of our business life today.

The minister at one point in his address said that an estimated $110,000 will be spent this year toward improvement of the airport, and also that plans have been made for an extension of the air terminal building, to triple its capacity to handle travellers. This, together with several other improvements will bring the total expenditures for these expansions and renovations to $650,000.

He also made the statement, with which we cannot quarrel, that, where airport accommodation is concerned, the department is endeavouring to concentrate its plans on needs for the next ten years. This is a sensible approach to the question of meeting the needs of that growing army of air travellers which make Mr. R. G. McGregor's heart beat with warm anticipation and pleasure.

The people of Fort William were pleased to hear the minister paint such a glowing picture of progress for the future of the lakehead in terms of air and sea transportation, and I hope that he will tell us how soon we may expect action on this program of expansion at the lakehead airport.

The advent of fast jet airliners has not improved Trans-Canada Air Lines service to the lakehead. These jets do not stop there, with the result that we now only have two two-way

flights connecting the lakehead with Toronto and Ottawa. I wonder whether there could be some way of improving this service.

And now I wish to deal briefly with perhaps the greatest medium of transportation which made confederation possible in 1867, namely our railways. We can go back to our first prime ministers, Sir John A. Macdonald, Scottish born, and the French Canadian, Sir Wilfrid Laurier. These two great prime ministers were the embodiment of what was the best of the two great historical parties, the parties which will continue to give Canada good government, we hope, and a government of free enterprise without distinction of class. Both these prime ministers strongly supported the first trans-continental railway system as being the only link binding together all parts of Canada and thus forming this young, vigorous nation. They stood shoulder to shoulder in advocating low cost transportation to promote the spread of our population and the development of our resources.

Here I wish to quote Sir Wilfrid Laurier speaking in parliament in support of the railways:

> To provide immediate means whereby the products of the new settlers may find an exit to the ocean at the least possible cost and whereby likewise a market may be found in our new regions for those who toil in the forests, in the mines and in the shops of the older provinces. Such is our duty, it is immediate and imperative. Heaven grant that it be not already too late.

At that time a policy was implemented under which shippers were charged on the basis of their ability to pay—in other words, low cost freight rates—and here subsidization was born. Succeeding governments have been more or less, and with very little variation, carrying on a method of subsidization to meet increasing operating costs, the latest being the $97 million for 1961, of which the Canadian National Railways will receive $57 million and a fraction and the Canadian Pacific Railway $39 million and a fraction. According to the recommendation of the royal commission on transportation, the annual amount is to be scaled down until at the end of five years the total will be reduced to $47 million for the two railways. These annual subsidies are the cause of considerable alarm and criticism against the two great trans-continental systems. However, it should not be forgotten that the Canadian National Railways, for example, is made up of a group of private railroads which went bankrupt many years ago. It has been an instrument of the government in opening up the country in which it is still being used.

In dealing with the first report of the royal commission I wish to point out that the commission substantially agrees with the submission of the lakehead cities to the commission to the effect that horizontal increases on a percentage basis cause unfair distribution of the freight rate burden; also, that freight rates, including increases which the carriers cannot collect, are unrealistic and impose an unfair burden on the so-called "captive traffic" forced to use the rails and to assume the maximum cost; also that certain losses in the passenger service which fares cannot cover should not be a charge on the freight rate structure. While subsidies, which of course nobody likes, are seemingly necessary as the only means of helping the present situation, the carriers should use every possible means to reduce the need for this assistance.

On page 34 of the commission report I find the following:

> All industries and regions feel that their particular transportation problems are great and important. It is too much to ask from a rail user in Newfoundland, at the lakehead, or in the Okanagan valley that he agree that the difficulties he has brought before the commission are of a lesser significance than, for instance, the problems of the maritime provinces. How true; and to get the full benefit of this statement one must know how highly the maritimes have rated the importance of the maritimes, with some justification, all down through the years.

This quotation seems to bear out our contention that northwestern Ontario has been penalized with a discriminatory set of freight rates which have militated against a greater expansion of trade and industry at the lakehead.

These are the few suggestions I have presented to the minister here this afternoon. I trust they will be given some consideration. As a matter of fact, they deserve deep study. They require some expert opinion. They require the experts of the department to go into them fully and to see whether or not any of them have merit. I am of the belief that they have merit, and that it will help Canada greatly if the suggestions are implemented.

Before the end of the discussions of these estimates I hope the minister will be able to give us the answers to many of the questions which have been asked and that he will be in a position to come forward with something which we shall all be pleased to hear.

Mr. Nielsen: Mr. Chairman, I should like to take a few moments of the committee's time to discuss the minister's estimates from the point of view of the development of the north country. Before passing to the main theme of my remarks, which will be criticism of the present policy of the issuance of class C and B licences in air transportation in the north, I should like to draw the

minister's attention to a number of problems that come under the jurisdiction of his department in the Yukon and Northwest Territories. Many of those have been solved in the last two or three years, and many point up very dramatically the difference between the activities of the department in the northern part of our country now as compared with the lack of such activities in the past.

Before informing the members of the committee on those points, I should like to take issue with one of the remarks of the hon. member who has just taken his seat when he described the support which Sir Wilfrid Laurier gave to the building of the railroad at that time. He forgets, I am sure, the expression coined by the Liberal opponents of the transcontinental railroad of that day about building a railroad from wigwam to wigwam. It seems to me that a similar expression was used by their present leader in recent years. I cannot refrain from reverting to the discussion of the other day with the Leader of the Opposition about his statement concerning the building of roads from igloo to igloo.

In the last two years the department has been responsible for a great expansion of communications generally in the north. In the Yukon and Northwest Territories telephone facilities have been installed where they were not available before. A new line has been constructed from Whitehorse through to Mayo, Dawson City and Elsa as well as new lines in the Northwest Territories. This has made it possible for the Canadian Broadcasting Corporation to provide services to this part of the country where none existed before apart from one or two voluntarily operated stations in the larger communities.

The department has been improving the airport and navigational facilities at the larger airports in the north in a very commendable fashion. The activities of the department have resulted generally in a raising of the standards of air transport in the north and this in turn has provided a certain stimulus to travel to these northern regions. However, there is still much to be done. I might draw the minister's attention to the need for extending the runway at Dawson City. With the Klondike festival targeted for 1962, it is very necessary that this airport be extended to the point where it is able to handle four-engine aircraft. There will be a larger number of tourists who will wish to travel to Dawson City for this event and it will be found that a good deal of this traffic will not be realized unless four-engine aircraft are provided with facilities at Dawson City.

Mayo airport is also due for enlargement to handle four-engine aircraft. This airport is right in the heart of a highly mineralized area. United Keno Hill mine operating in this area now provides with its one silver mine almost as much in dollar revenue to the Canadian economy as the 20 silver mines of British Columbia and the 12 silver mines of Ontario. Therefore improved facilities at this point are very essential.

I would also draw the minister's attention to the departmental plans concerning the improvement of facilities at the Whitehorse airport. I understand that plans exist for the conversion of one of the existing hangars at the Whitehorse airport in order to provide larger terminal facilities. With the traffic in and out of Whitehorse, which is the main centre on what was known at one time as the northwest stageing route, the facilities required here are not so extensive that the minister could not, I am sure, obtain co-operation from the other government departments requiring space therein.

There is another point I should like to draw to the minister's attention, the maintenance of emergency strips in the north generally. Emergency air strips are very essential in facilitating air traffic and air safety in the north and in my belief much more can be done to improve these very necessary facilities.

One point about which I am particularly concerned has to do with the large turnover in meteorological workers in the northern areas although I believe the problem is national. In these scientific workers we have some of the most highly skilled individuals on the government payroll and yet they are one of the worst paid groups of scientists. These people must have university educations before they undertake their duties and unless much more attention is given to establishing a proper wage structure for meteorologists in the service of the Department of Transport I believe the minister and the department will continue to be faced with difficulties in replacing a large number of these employees who seek employment in the United States and elsewhere where wages are much more attractive.

Specifically, Mr. Chairman, I want to deal with the government's policy in connection with the granting of licences for the operation of non-scheduled commercial air services. In December of 1959 the then minister, who is now Minister of Trade and Commerce, announced that a more liberal policy was being implemented with regard to applications for licences for non-scheduled commercial air services involving small light aircraft and helicopters. It had been decided that, except in unusual circumstances, applications for air services in these categories would not be refused on the grounds of protection of existing operators or restriction of

competition but rather would be made available on a liberal basis in accordance with the spirit of free enterprise.

Prior to the announcement of that policy the principle upon which air transport licences had been granted to non-scheduled commercial air services was based on the need for protecting charter operators out of bases in all areas of Canada so that a healthy and high quality growth in the service concerned would be encouraged. I am not aware how the new policy is working out in the rest of Canada but I can assure the minister it is not having the desired effect in the north. The air transport board now, in exercising its licensing function under the Aeronautics Act, is granting a larger number of class C and class B licences. If the policy is continued I believe that the previous high standard of services provided by these charter operators in the north is going to deteriorate substantially particularly with regard to the operation of helicopters. In January of 1960 the air industries and transport association of Canada submitted a brief to the Prime Minister wherein they set forth their views, and I wish to quote briefly from their submission as follows:

> Notwithstanding our submission the Minister of Transport, on December 18, announced the policy of decontrolling non-scheduled air services as defined by the air transport board as being in group "B".
>
> It is therefore our opinion in the light of our earlier submission that we would be remiss in not advising you of the very serious implications of this policy.
>
> While Canada can be justly proud in having recently celebrated its fiftieth anniversary of powered flight, it was not until the thirties that aviation started to show its potential importance to the development of the north. From that period to the year 1945 air carriers operated without any regulatory control for the benefit of the public necessity, convenience or interest. It is a well known fact that this lack of control had a devastating effect on the growth of this industry . . .
>
> The potential is only so great and unlimited competition is not the answer.

I should like now to draw the minister's attention to the operations of Eldorado Aviation Limited, a subsidiary of Eldorado Mining and Refining Limited, a crown corporation, and also since it comes under the jurisdiction of the department, the operations of Northern Transportation Company Limited, a water carrier on the Mackenzie river system. In my view, the services of these two subsidiaries have outlived their usefulness, and there should not be a continuation of government subsidies to these organizations in direct competition with the private carriers in the north. Pacific Western Airlines, who now operate services up and down the Mackenzie system from Edmonton and other northern provincial points, is in trouble because of declining load factor which could easily be improved by the amount of traffic carried by Eldorado Aviation Limited. P.W.A. is operating a high quality service in the northern regions and is operating on a high standard of safety. This, of course, will continue. There is no doubt, however, that P.W.A. will have to diminish the service it is now supplying to these areas if the operations of Eldorado Aviation Limited are allowed to continue to eat into the potential traffic. For instance, over 8,000 passengers were carried by this crown subsidized corporation during 1960.

Two of the conclusions reached by the air industries and transport association are, one, that the situation will not only stifle but submerge a young and growing industry—that is what it is—which has been one of the major factors in the opening up of Canada's north. Second, the continued implementation of such a liberal policy will result in a situation which could have a vital bearing on the safety of travel and, more specifically, to Canada's north with the obvious resultant expense to search and rescue.

The air carrier, Mr. Chairman, has been for some years basically the prime instrument in the development of the north. The system under which the operator has been able to produce and exist is based on a minimum of protection. In return, he establishes permanent facilities and, as such, becomes a permanent part of the community he serves. It should be pointed out these facilities are provided at the expense of the operators. The Air Industries and Transport Association of Canada is not the only group that is concerned with air development in northern Canada. There are several other organizations, but I do not wish to take up the time of the committee by quoting extensively from correspondence I have had with these other associations.

I should like to put it to the minister that there are a number of ways in which the development of air services in northern areas could be helped. I am constrained to say, however, that they amount to a subsidy of some sort. I am sure that in the transportation field, however, subsidies are not a strange animal to the government. I should like to enumerate some of these ways. A direct operating subsidy could be given to the air lines involved in these northern regions. Second, a fuel rebate could be granted on fuel boarded in the north which would equate the cost of fuel to these northern operators with the cost of fuel in urban areas. Fuel cost is a major air line operating expense, and the saving to the air lines could be passed on to the customers. The exploration of other benefits could probably reveal other

ways of equating northern operating costs with those of the more economical intercity services.

Another major air line expense is the cost of equipment. The government could underwrite part of the cost of the airplanes in order to make it easier for the air lines to equip or to re-equip. This form of subsidy is used in connection with the civil air reserve plan in the United States. The policy there is that it is in the national interest to further increase the number of individual aircraft available to handle any national emergency. The aircraft purchased by air lines for profit will not provide this capacity because profit margins require high load factors and, therefore, the government will help with the equipment bill if the result provides more aircraft than would have been purchased otherwise.

There are, however, some restrictions imposed. The air lines must agree to release part of their fleet to the nation when required and must buy a type of aircraft which can be used as military transport. I think Canada has taken a most dramatic lead here with the development of the de Havilland Caribou. A plan similar to that which has been devised in the United States would certainly help all aviation in this country.

Another factor in considering this problem is the used aircraft market. This is no longer good and has not been for some time because of the rapid technological developments in this field. Depreciation will become a problem for air lines, and it is a problem for some of the smaller operators now. The government could maintain a market for used aircraft at good prices, thereby encouraging their replacement. This would benefit the country as well as the air lines, in that it would help keep the aircraft modern. The new aircraft are better in every way, including economy of operation.

Another field to which I have devoted some thought is the operation of the R.C.A.F. transport command. I think this could be redefined. The R.C.A.F. now does a lot of northern transport flying which could be handled by commercial operators. Many people believe that the R.C.A.F. should be limited in transport operations to operational support transport and that air lines should be integrated into the defence picture in a way similar to the merchant marine. This is an involved suggestion, but a plan which offers civilians peacetime use from defence expenditures is certainly worth considering. It can be pointed out, too, that an expanded civil air fleet would provide some jobs for the many fine pilots trained by the R.C.A.F. who now, on discharge, find it almost impossible to practise their chosen vocation.

[Mr. Nielsen.]

The government could benefit northern air transport greatly if some money were spent on facilities. Northern airports, navigation aids, alternate airports, instrument approach facilities, and night flying facilities need a great deal of improvement. This is true, in spite of the rapid strides the government has been making in improving these facilities. At some stages the air lines own and operate essential equipment themselves. This imposes an additional and unnecessary cost on their operations, which cost is reflected in their service. A lot of present day flying in the north is contract supply to D.E.W. line bases. I think it could be considered that these bases will remain in operation for some time and that a permanent air transport service is warranted. The present system of annual contracts does not encourage the kind of air line growth which has any real benefit to the country. I refer to the fact that these supply contracts are renegotiated annually.

I am not suggesting for a moment that the government, through T.C.A. or any other government service, should go into the north and compete with air lines now operating in the north. On the few northern runs these private companies have left, there is hardly enough to support the service they now provide. As a matter of fact P.W.A. in the Mackenzie system has not enough traffic to support the service they are now operating.

As I have already pointed out, air transport is like all other transportation. It is a matter that is vital to the country, affecting its growth, its prosperity and its defence. The government should appreciate these factors and give careful attention to the development of policies which will be consistent therewith. If we have earned any special criticism in so far as our air line policy is concerned, I think it is because it has not been definitive enough; whereas in the past administration there was absolutely no really definitive policy in so far as the development of air line transport in this country is concerned or, if there was a policy, it was a policy of reaction, laissez-faire, or "We will do something when something appears on the horizon". From this we have advanced at least to the point where we can discern certain definitive avenues in our air transport policies. But these are not yet cohesive and they still must be evolved into a plan which will insure the realization of the factors of growth, prosperity and defence, as I have pointed out. The government as yet has not involved itself deeply in this problem, in my view, and I feel that the time is far past when we should have done so. These are the remarks I have to make concerning the development of air transport particularly relating to the north and I confide them to the minister in the

hope that they will, to use a phrase that I have learned from both sides of the chamber, get the consideration they deserve.

Mr. McMillan: In connection with the minister's announcement, Mr. Chairman, may I say that I am very much in favour of helping our shipbuilding industry. I also hope that our Canadian trade between Canadian ports will be carried by Canadian ships and will thus increase employment. I do not believe this matter of helping the shipbuilding industry should be handled by way of a vote of $1 in the estimates. I am in favour of helping the industry in a proper manner. The government should give us an estimate and we could vote it. I think the government should be able to give that estimate and if they did not have enough money, they could come back for more and we would gladly vote it here in this chamber. I do not think any hon. member would be opposed to it. This whole thing seems to be trickery on the part of the government. The Minister of Finance will show $1 as an expenditure, and although expenditures can go up to $40 million, $50 million or even $100 million and they will just show as $1. At the present time we know that his books are away out of balance and that he wants to avoid putting extra expenditures in his budget. He is just going to put in $1 and it will not even stand that.

Mr. Benidickson: Pre-election procedure.

Mr. Pickersgill: That is right.

Mr. McMillan: To me this is taking away the rights of parliament, to show just a $1 expenditure and be able to go ahead and spend millions. Where are the rights of parliament? What about the bill of rights? We have not so many rights left. If this was a bill, we could refer it to the Minister of Justice and he would pass his opinion on it. However, it is not a bill, and we therefore cannot get his opinion on whether or not this might come within the bill of rights or whether we are leaving with parliament the right to vote money.

I want to deal with something particular, Mr. Chairman. It has to do with a matter in my own area. Since it will probably take me 10 minutes to deal with it and as it is nearly six o'clock now, may I call it six o'clock.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Pickersgill: May I ask the acting house leader whether he will be good enough to put on *Hansard* again, so that it will be there for convenient reference, as much of the government's plans for next week as he can give us now?

Mr. Nowlan: The government's plans for the first two days of next week are set forth on page 4752 of *Hansard* of May 12. As far as I know at the moment, there are no changes to be proposed in any of those matters which we set forth for Monday and Tuesday. On Wednesday, we are going back into the estimates and, rather than taking up those of the Department of Fisheries, as I intimated last night was the possibility, I think we will proceed with the estimates of the Department of Transport. Following that, we will probably conclude consideration of the estimates of the Department of Fisheries which were under consideration yesterday.

Mr. Pickersgill: The minister, of course, appreciates the fact that on Wednesday we will not have more than about half an hour. Is that the program also for Thursday?

Mr. Nowlan: That will be the program. We will carry on with the Department of Transport on Wednesday and Thursday and until concluded. If my colleague who is going to be sitting here on Monday happens to be held up until late Tuesday with transport legislation, he will go on on Wednesday and Thursday and until such time as his estimates are concluded. Then we will take up fisheries, followed by justice or mines and technical surveys, I am not sure which.

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

Question

ANSWER TO QUESTION

The following answer, deposited with the Clerk of the house, is printed in the official report of debates pursuant to standing order 39:

CIVIL DEFENCE

Question No. 129—**Mr. Regier:**

1. In the fiscal year ended March 31, 1960, what were the total expenditures of the government of Canada in the interest of civil defence?
2. What was the estimated cost of expenditures for this period on the part of the provincial governments?
3. What is the estimated cost of expenditures in this regard during the same period on the part of municipal governments?
4. What is the estimated total cost of expenditures by all levels of government for the fiscal period mentioned above?
5. What consideration has been given by the government to the project of changing the name from "civil defence" to "civil disaster"?
6. Has the government any record of the number of homes that have built basement shelters? If so, how many have been built?
7. What recommendation in this regard has the government to make to people living in apartments in concentrated urban areas?
8. How much money has already been spent on the proposed project of moving the seat of effective government out of Ottawa in case of a nuclear war?
9. Who has been designated to decide as to who will be eligible for priority in the proposed movement of government authority out of Ottawa in case of a nuclear war?
10. Who is on the priority list referred to in the above question?

Answer by: **Right Hon. J. G. Diefenbaker (Prime Minister):**

1. Apart from army expenditure on survival operations and communications, where the expenditures in aid of civil defence and continuity of government cannot be accurately segregated, the total expenditures on civil defence measures and other preparations for civilian measures to be taken in wartime were $4,635,832.

2. $574,903, excluding those reimbursed by federal grants.

3. $243,728, excluding those reimbursed by federal grants.

4. $5,454,463, including both civil defence and other preparations for civilian measures in wartime, in so far as these are segregated in accounts. In some cases work is done for these purposes but paid for out of appropriations for the general purposes of the department concerned and is not separated in accounts.

5. The government has already been using the term "emergency measures" to cover both civil defence and peacetime disasters, as well as preparations for the continuity of government in wartime.

6. No.

7. The government is preparing for publication material regarding protection against radioactive fall-out for people living in apartments. In addition, surveys are being conducted this year to investigate the protection afforded by existing larger buildings in urban areas and means of improving it.

8. It is not considered in the public interest to publish detailed information relating to all the various sites from which elements of the government would operate outside of Ottawa in wartime.

9 and 10. Various responsibilities for wartime operations have been allocated by the government and by individual ministers, as reported to parliament from time to time. Other responsibilities may be expected to be assigned from time to time in future. The ministers responsible for these various departments and agencies in peacetime, and their deputies, designate the personnel who will be trained for wartime duties and who will take them on, if they can, should war occur. It may be necessary that various individuals be designated as alternatives, or in rotation if, as is now expected, special precautions become necessary because of the very short warning time that may be counted upon when missiles become the main threat to Ottawa. The lists of those being instructed to assume various duties in the event of war are still being compiled and revised. It is considered that publication of the names of these individuals would serve no useful purpose at the present time.

It should be added that those assigned to emergency duties will not be assured of safety, as the emergency facilities cannot provide protection against a nearby nuclear detonation. Protection against fall-out is being provided to enable work to be carried on in these locations. Persons assigned to emergency war duties will not be free to look after the safety of their families, as others will be doing, and will have to make other arrangements in respect of their dependents.

HOUSE OF COMMONS

Monday, May 15, 1961

The house met at 11 a.m.

PRIVILEGE

MR. HOWARD—REFERENCE TO EDITORIAL IN "FINANCIAL POST"

Mr. Frank Howard (Skeena): Mr. Speaker, I rise on a question of privilege concerning an editorial in the *Financial Post* of May 13, 1961, which in my opinion is irresponsible, somewhat libellous and in at least one respect not true. The editorial reads:

> It's outrageous that 469 divorce petitions are stalled in parliament, and likely to remain stalled indefinitely, by a blockading operation conducted by two M.P.'s.
>
> Most Canadians agree that these petitions, all coming from Quebec and Newfoundland, should not be parliament's business at all. A federal court should handle them if these two provinces are not willing to empower their own courts to dissolve marriages.
>
> But years of argument have not yet persuaded any Canadian government to sponsor reform in the system; and there is not the slightest immediate chance of reform.
>
> In these circumstances, the continuation of last year's indiscriminate filibuster against all divorce bills by two C.C.F.'ers, Frank Howard and Arnold Peters, is a cheap political stunt. It's a callous and brutal stunt because it will force 469 Canadian couples to stay unhappily married when, presumably, there is conclusive evidence that they ought to be divorced.

I would point out that the so-called "blockading operation", as it is termed in the editorial, is occasioned not by any activity of the hon. member for Timiskaming or myself but is occasioned in the first instance by the refusal of the Senate to deal with a particular bill that was sent to it—

Mr. Deputy Speaker: Order. I agree that there may be a question of privilege concerning the hon. member, but I think he should restrict his remarks to the point having to do with his own conduct and not refer to the other place.

Mr. Howard: Very well. The remarks about which I wish to complain are the reference to the continuation of the blockade of last year being carried on by myself and the hon. member for Timiskaming. You will know, Mr. Speaker, that on no occasion this session have we dealt with the divorce bills currently on the order paper, for the reason that they have not been advanced. The sponsor of these bills has requested that they stand, and the house has agreed unanimously that they should stand. I think the editorial is a reflection upon the actions of the hon. member for Timiskaming and myself, because we have not engaged in any discussion whatsoever of any of these divorce bills.

Mr. Chown: What about the Aurora Pipe Line Company bill?

Mr. Howard: If my friend wants to get involved in a discussion about building that pipe line, we can do that tomorrow.

CIVIL DEFENCE

REPORT ON EXERCISE "TOCSIN"

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, at the time of the national exercise on civil defence or just prior thereto I stated that I would give a statement regarding the findings and the experiences of those who participated in that exercise. The purpose of the exercise was not only to practice and test the emergency measures which are necessary for national survival and continuity of government, but in particular to identify gaps in existing plans and preparations.

I think the initial report indicates that the exercise served its purpose adequately. Sirens were sounded in a number of communities across the country. Siren coverage is rapidly being increased and many more areas will, within the next year, have these warning devices.

The early stages of the exercise in Ottawa went as planned and certain emergency procedures of government were practised. The signal authorizing the sounding of the alert took only 39 seconds from the time it was sent to the provincial centres by the federal warning centre until the last acknowledgement was received from the provincial warning centres.

The exercise in the central headquarters at Camp Petawawa showed considerable improvement in preparations and capabilities over 1960, and revealed that in an emergency the basic elements of government could be operated. However, I would be less than frank if I did not point out that the efficiency of the operation was less than is requisite, and much remains to be done in the fields of departmental emergency planning, advance preparation of executive orders and policy directives, staff training, organization of staff to work effectively in emergency

facilities, and further improvement in communications. These problems will receive urgent attention.

First reports from the regional centres which were set up indicate that the exercise went well in the provinces. Federal personnel close to the maximum numbers planned participated. Provincial participation varied considerably, depending upon the stage of provincial planning and preparation in this field. Provincial governments were represented in most provinces, and in so far as the federal government was concerned it was represented in most of the provinces either by cabinet ministers or by parliamentary secretaries.

At the central headquarters at Petawawa several federal ministers were at work in connection with their emergency assignments. I should like to say a special word of commendation for the observers, the hon. member for Richelieu-Vercheres (Mr. Cardin) and the hon. member for Vancouver East (Mr. Winch).

Many hundreds of persons in the service of government at all levels played an active part. At the central headquarters alone almost 200 took part. Besides the activity by federal and provincial personnel at regional headquarters in the provinces, some 500 municipalities throughout Canada also took part.

Many gaps were revealed in the plans and preparations. I feel, however, that a considerable advance in the knowledge of the problems to be faced has been achieved, and that all concerned are better prepared to play their part should a real emergency arise. So far as the gaps are concerned, every effort will be made to fill them and to remove any evidence of weaknesses revealed during the course of the exercise.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, if, unfortunately, civil defence is necessary in the world in which we live, it is important that it should be planned and organized as effectively as possible. As the Prime Minister has pointed out, the operation in question has shown that there is a great deal to be done in that regard. Civil defence is important, but policies in all countries to make civil defence unnecessary are even more important.

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, in view of the fact that it is the policy of the government to endeavour to establish an organization for civil defence and to spend considerable money on it, it is perhaps a good thing that the recent exercise referred to was held. I cannot help but say that the Prime Minister must have been on an exercise different from the one I was on, in view of what he said a few moments ago.

[Mr. Diefenbaker.]

I was grateful for the opportunity of serving as an observer. There is no opportunity at this time to discuss all the experiences of the exercise, but in my estimation the exercise disclosed not only many minor but many major gaps. I was interested in knowing that the attack was supposed to be realistic. I gathered that from the statement made by the Prime Minister the day previous to the exercise. The attack was to be realistic in order to demonstrate what might happen under certain circumstances. The attack was all by manned bombers except for the latter portion, during which two missiles were discharged.

The major gap disclosed by the operation was this. Outside of the few cabinet ministers, parliamentary secretaries, and two private members from the opposition, the government and the House of Commons were completely wiped out. That may be a good thing.

Mr. MacInnis: That is your only chance.

Mr. Winch: It is obvious, on the basis of this realistic exercise, that there should be considerable discussion of it in this chamber. I hope when certain estimates are before the house all hon. members will participate in a discussion of this subject. On behalf of this group I take the position that we are not supposed to keep to ourselves exactly what we observed, especially in terms of gaps in the operation, but that these things should be mentioned and discussed.

In commenting on the remarks of the Prime Minister I feel I must say that something is definitely wrong in this country and in the world if we have to have civil defence. Let us hope that sanity will prevail and that something will be done as speedily as possible in other fields so that our money, effort and brains can be directed to the introduction of useful and productive measures and policies.

Mr. Diefenbaker: I cannot add anything to what has been said, Mr. Speaker. Both the Leader of the Opposition and the hon. member for Vancouver East mentioned the fact that every effort should be made to bring about peace, thereby denying the necessity of civil defence. That is not only their view but the view of this government, which has pressed very strongly to bring about disarmament while at the same time having to maintain defences until disarmament is attained.

EXTERNAL AFFAIRS

LAOS—STATEMENT ON CURRENT SITUATION

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I think I should say a word at this time respecting Laos. On May 11 the international supervisory commission for Laos was able to report to the United

Kingdom and Soviet governments, as co-chairmen of the Geneva conference of 1954, that the principal parties to the recent hostilities had ordered their troops to cease fire from 8 a.m. local time on May 3, and that since that time there has been a general and demonstrable cessation of hostilities. The commission is satisfied that a state of *de facto* cease fire exists throughout Laos.

Despite the commission's report, which was available last Friday, the opening of the conference has been delayed because of disagreement over the seating of Pathet Lao representatives on an equal footing with the representatives of the government headed by Souvanna Phouma, which is recognized by the communist powers, and the royal government of Vientiane. Some countries have taken the position that to concede equal status to the Pathet Lao would prejudge the central issue of the conference and place them on a footing to which as representatives of a paramilitary organization they were not entitled.

There have been suggestions that the conference should be allowed to proceed, dealing first with such practical matters as the question of the cease fire, leaving time for the Laotian parties to agree among themselves on a government for Laos and representation at the conference. Another suggestion has been that any delegation should be permitted to invite any Laotian group to participate in the conference as observers without prejudice to the ultimate composition of the government to be formed in connection with a political settlement. While this formula was acceptable to the principal powers, it has not yet been agreed to by the representatives of the royal government, and consequently there is still doubt as to when the conference will be able to begin its work.

In view of all the circumstances I think I should advise the house that the Secretary of State for External Affairs, who expected to return to Canada tomorrow, will be remaining in Geneva, and that the earliest possible date for his return, short of a complete breakdown of the conference, will be the end of the week. He had a number of appointments here during the latter part of the week, I believe on Thursday, Friday and Saturday. Those appointments will be cancelled in view of the situation prevailing at Geneva.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I think all hon. members will be interested in what the Prime Minister has said about this important and difficult conference which is, we hope, about to begin in Geneva. There were two difficulties in the way of the conference. One was the arrangement of a cease fire. That difficulty seems to have been overcome although, according to the press, the cease fire apparently is a rather uneasy one at the present time. The other difficulty which apparently has not yet been overcome is concerned with the representation of Laos itself at the conference. It is unfortunate that agreement could not be reached between the two inviting governments—I refer to the government of the U.K. and the government of the U.S.S.R.—as to the representation of Laos before the conference was convened. It is to be hoped that agreement can be reached with a minimum of delay so that this conference, which may be so important for peace and political settlement in this sensitive area, can get to work.

It is reassuring to hear from the Prime Minister that Canada will be represented at the early part of this conference, notwithstanding this delay, by the Secretary of State for External Affairs. This is a conference of foreign ministers and no doubt the Secretary of State for External Affairs felt that he should make his own contribution to it in that capacity.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, speaking for this group I wish to say we are glad to hear of the cease fire being a fact, or a near fact, and we certainly wish the coming conference every success. We know that the Canadian representatives will make their usual constructive and commendable contribution to this most important conference, working toward an end we are all seeking.

CANADA ELECTIONS ACT

AMENDMENT TO PROVIDE FOR INFORMATION TO PUBLIC

Mr. Frank McGee (York-Scarborough) moved for leave to introduce Bill C-91, to amend the Canada Elections Act (information to electors).

Some hon. Members: Explain.

Mr. McGee: Mr. Speaker, in order to promote broader participation on the part of the Canadian public in the matter of election or campaign fund expenses, clearly a program of public education is required. To complement such a program a change is also required in the elections act to place in the hands of the public information necessary to make such contributions.

I might say in passing, Mr. Speaker, that such a program was undertaken in the United States in 1958, and produced a substantially increased and a much broader based participation in that country. Also, this would remove some of the compulsion features in the so-called New party program

being put forward in this field, compulsion in the sense of compelling a union member to contribute to a party which he has no intention of supporting.

Motion agreed to and bill read the first time.

CRIMINAL CODE

REVISION OF PROVISIONS RESPECTING DEATH PENALTY

Hon. E. D. Fulton (Minister of Justice) moved for leave to introduce Bill No. C-92, to amend the Criminal Code (capital murder).

Some hon. Members: Explain.

Mr. Fulton: Mr. Speaker, the purpose of this bill is to revise the provisions of the Criminal Code dealing with the death penalty and also the provisions dealing with the trial of a person charged with an offence for which the penalty is death.

The provisions relate primarily to the crime of murder, and the effect is to divide murder into two types, capital and non-capital. Under the proposed legislation the death penalty will attach only to murder of a planned and deliberate character, or to killing in the course of committing a crime of a nature importing the elements of deliberation or stealth. In such case only the person who committed the act resulting in death, or who counselled or procured it, would be subject to the death penalty.

The bill also makes changes in the provisions regarding the plea to be entered by a person charged with an offence for which the penalty may be death, and provides automatic review by the court of appeal of any case where the death penalty has been imposed. There are other consequential and related provisions.

Motion agreed to and bill read the first time.

MOTIONS FOR PAPERS

COMBINES HEARINGS ON NEW DRUGS

Motion No. 123—**Mr. Howard:**

For a copy of telegrams, correspondence, and other documents exchanged between the government, the restrictive trade practices commission, or the combines investigation branch, and any person, organization, or company since January 1, 1961, regarding the question of hearings by the restrictive trade practices commission concerning the selling and pricing policies of certain pharmaceutical houses in respect of new types of drugs.

Hon. E. D. Fulton (Minister of Justice): Mr. Speaker, the documents asked for are those that relate to or are filed in proceedings before the restrictive trade practices commission which, as I have already explained to the house on more than one occasion during the last two weeks, specifically on May 3, May 4 and May 10, are intended by parliament, under the Combines Investigation Act, to be conducted in private unless otherwise ordered by the chairman of the commission. No such order has been made by the chairman in this instance and, except to the extent that the chairman so orders, or details of submissions are included in the final report of the commission, which will be made public, the contents of such documents which parliament has intended to be private ought not to be disclosed. The correspondence referred to in this motion will have been exchanged between the commission and those to whom the commission wrote in connection with submissions to be made at the hearings and in many cases contain details submitted in reply. Therefore I cannot accept the address for production of the documents in question.

Mr. Howard: Mr. Speaker, I feel that is stretching things quite a bit.

Mr. Deputy Speaker: Does the hon. member wish the question put?

Mr. Howard: Yes, Mr. Speaker; I wish you would put the question, please.

The house divided on the motion (Mr. Howard) which was negatived on the following division:

YEAS

Messrs:

Argue	Howard
Badanai	LaMarsh, Miss
Batten	McIlraith
Bourque	McMillan
Caron	Martin (Timmins)
Chevrier	Pearson
Clermont	Peters
Denis	Pickersgill
Deschatelets	Regier
Godin	Richard (Ottawa East)
Granger	Tardif
Habel	Tucker
Hellyer	Winch—27.
Herridge	

NAYS

Messrs:

Aitken, Miss	Comtois
Anderson	Cooper
Balcer	Crouse
Baldwin	Diefenbaker
Baskin	Dinsdale
Bell (Carleton)	Doucett
Bell (Saint John-Albert)	Fairfield
Bourdages	Fane
Broome	Fleming (Eglinton)
Browne (St. John's West)	Forbes
Browne (Vancouver-Kingsway)	Fulton
Brunsden	Halpenny
Cadieu	Hanbidge
Chambers	Harkness
Charlton	Henderson
Chown	Hicks
Churchill	Hodgson
	Horner (Acadia)

Horner (Jasper-Edson)	Nesbitt
Jones	Nielsen
Jung	O'Hurley
Keays	O'Leary
Kennedy	Pallett
Kindt	Pascoe
Korchinski	Payne
Kucherepa	Phillips
Lambert	Pigeon
Lennard	Pugh
Macdonnell	Rapp
MacEwan	Regnier
MacInnis	Ricard
MacLellan	Robinson
MacRae	Rogers
McBain	Simpson
McFarlane	Skoreyko
McGee	Smallwood
McGrath	Smith (Lincoln)
McIntosh	Smith (Simcoe North)
McLennan	Smith (Winnipeg North)
McPhillips	Southam
McQuillan	Spencer
Mandziuk	Starr
Martel	Stearns
Martineau	Stefanson
Matthews	Taylor
Monteith (Perth)	Thrasher
Montgomery	Walker
More	Webb
Morris	Webster
Muir (Cape Breton North and Victoria)	Winkler
	Woolliams
Muir (Lisgar)	Wratten—102.

COMBINES INVESTIGATION, RAW FISH, B.C.

Motion No. 124—**Mr. Howard:**

For a copy of the statement of evidence by Mr. T. D. MacDonald, director of investigation and research of the combines investigation branch, in the matter of an inquiry into the production, purchase, and sale of raw fish in British Columbia.

Hon. E. D. Fulton (Minister of Justice): Mr. Speaker, I have already objected to an identical motion on the same subject made by the hon. member for Skeena on June 24, 1959.

My objection can be found in the revised *Hansard* at page 5085. I refused then to table the statement of evidence because the act makes it clear that it was the intention of parliament that proceedings and inquiries should be conducted in private unless otherwise specifically ordered by the chairman of the commission.

The house then sustained the objection. No change in the situation has since taken place that would call for any modification. I am therefore unable to accept the motion, and under the circumstances I wonder whether the hon. member would consider withdrawing it.

Mr. McIlraith: What page?

Mr. Fulton: Page 5085, June 24, 1959.

Mr. Howard: It is my understanding that the house did not sustain the objection of the minister at that time but that I agreed to withdraw the motion. I did not realize then, as I do now, that there is so much secrecy in the operations of the government, and I would ask you, Mr. Speaker, to put the motion, please.

Mr. Fulton: On a question of privilege, I have ignored such remarks from the hon. member before but I do not think I can continue to do so. They are quite improper, and a reflection on members of the house. It is not the government or members who have ruled that these inquiries should be conducted in private. It is the statute passed by parliament.

Mr. Howard: If I may speak on the question of privilege raised by the Minister of Justice, I would point out that the rules of the house prohibit the Minister of Justice from interpreting statutes. It is considered that he is not competent to do so. What the minister is now doing is interpreting the Combines Investigation Act, and in my opinion it does not say what he has just said.

Mr. Fulton: I can certainly understand what the statute means when it uses the words "in private", even if the hon. member does not.

The house divided on the motion (Mr. Howard) which was negatived on the following division:

YEAS

Messrs:

Argue	Peters
Herridge	Regier
Howard	Winch—7.
Martin (Timmins)	

NAYS

Messrs:

Aitken, Miss	Fairfield
Anderson	Fane
Badanai	Fleming (Eglinton)
Balcer	Forbes
Baldwin	Fulton
Baskin	Godin
Batten	Granger
Bell (Carleton)	Grenier
Bell (Saint John-Albert)	Habel
Bourdages	Halpenny
Bourque	Hanbidge
Broome	Harkness
Browne (Vancouver-Kingsway)	Hellyer
	Henderson
Brunsden	Hicks
Cadieu	Hodgson
Caron	Horner (Acadia)
Chambers	Horner (Jasper-Edson)
Charlton	Jones
Chevrier	Jung
Chown	Keays
Churchill	Kennedy
Clermont	Kindt
Comtois	Korchinski
Cooper	Kucherepa
Crouse	LaMarsh, Miss
Denis	Lambert
Deschatelets	Lennard
Diefenbaker	Macdonnell
Dinsdale	MacEwan
Doucett	MacInnis

MacLellan
MacRae
McBain
McFarlane
McGee
McGrath
McIlraith
McIntosh
McLennan
McMillan
McPhillips
McQuillan
Mandziuk
Martel
Martineau
Matthews
Monteith (Perth)
Montgomery
More
Morris
Muir (Cape Breton North and Victoria)
Muir (Lisgar)
Nesbitt
Nielsen
O'Hurley
O'Leary
Pallett
Pascoe
Payne
Pearson
Phillips
Pickersgill
Pigeon
Pugh
Rapp
Regnier
Richard (Ottawa East)
Robinson
Rogers
Simpson
Skoreyko
Smallwood
Smith (Lincoln)
Smith (Simcoe North)
Smith (Winnipeg North)
Southam
Spencer
Starr
Stearns
Stefanson
Tardif
Taylor
Thrasher
Tucker
Walker
Webb
Webster
Winkler
Woolliams
Wratten—121.

JOB ADVERTISEMENTS IN U.K.

Motion No. 125—**Mr. Deschatelets:**

For a copy of a complete list of occupations or jobs offered or published in the United Kingdom by the Department of Citizenship and Immigration in the years 1959 and 1960.

Motion agreed to.

AIR TRANSPORT

INQUIRY AS TO AMENDMENT OF WARSAW CONVENTION

On the orders of the day:

Hon. Lionel Chevrier (Laurier): Mr. Speaker, may I direct a question to the Prime Minister in his capacity as Secretary of State for External Affairs. In the light of a recent decision by the United States courts limiting to the amount of $8,300 the liability of an air carrier on an international flight, under the Warsaw convention to which Canada is a signatory, as reported in the *Financial Post* of May 13, does the government intend to make representations through its delegates at I.C.A.O. or at some other international level to amend the Warsaw convention?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the hon. gentleman gave me notice of his question. The Warsaw convention limits the liability of an air carrier on an international flight to the amount of $8,300. On August 16, 1956 Canada signed the Hague protocol, which was opened for signature on September 28, 1955. The purpose of the Hague protocol, which incidentally requires ratification by 30 states before coming into effect, is to double the amount of the liability established under the Warsaw convention. To date only 19 states have ratified the convention. As the house will know, five and a half years have gone by from the time it was opened for signature.

A factor having an influence on the government's decision to ratify will be the likelihood of sufficient countries ratifying the protocol to bring it into effect. However, I can say that ratification is under consideration. Nevertheless, I know the hon. gentleman will realize that when only 19 of the requisite minimum of 30 have actually ratified, there is not too much hope of the protocol coming into effect.

Mr. Chevrier: If I may, I should like to ask this additional question. Does the Prime Minister not think that if Canada were to ratify it, that might lead others to follow its example?

Mr. Diefenbaker: Others often do so, Your Honour. I can only say that the matter is receiving consideration. If ratification takes place I would hope that the expectation of the hon. member would be achieved.

DOMINION-PROVINCIAL RELATIONS

RESERVATION OF PROVINCIAL BILLS BY LIEUTENANT GOVERNORS

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I should like to direct a question to the Prime Minister. On May 5 he informed the house that the government was giving consideration to the formulating of formal instructions that could be sent to lieutenant governors regarding the reservation by lieutenant governors of provincial bills. Can the Prime Minister say whether those instructions have now been formulated?

Right Hon. J. G. Diefenbaker (Prime Minister): No instructions to that effect have as yet been sent, nor has a decision been made in this regard.

SHIPPING

REPORTED SEIZURE OF CUBAN SHIP IN QUEBEC

On the orders of the day:

Mr. J. P. Deschatelets (Maisonneuve-Rosemont): Mr. Speaker, I should like to address a question to the Minister of Trade and Commerce or, in his absence, to his parliamentary secretary. Has the minister or his parliamentary secretary read a press report this morning concerning the seizure of the Cuban freighter *Fundador* in Quebec for failure to pay for half a million dollars worth of merchandize sold to Cuba? If so, has the minister any comment to make?

Mr. E. L. Morris (Parliamentary Secretary to the Minister of Trade and Commerce): Mr. Speaker, the newspaper clipping has been drawn to my attention. I will take the question as notice.

AGRICULTURE

MARITIME PROVINCES—INQUIRY AS TO AID TO POTATO GROWERS

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, in the absence of the Minister of Agriculture and both his parliamentary secretaries, I wonder whether I could ask the Acting Minister of Agriculture whether the government has any definite plans to provide relief to potato growers in the maritime provinces, who have suffered losses owing to rot. If so, can the minister inform the house what those plans are?

Hon. D. S. Harkness (Acting Minister of Agriculture): Mr. Speaker, I think the hon. member will realize that I am not familiar with the subject matter of this question. However, I shall be glad to take the question as notice and provide an answer tomorrow or as soon as possible.

TRANS-CANADA AIR LINES

NUMBER OF PILOTS USED IN VANGUARD AIRCRAFT

On the orders of the day:

Hon. Lionel Chevrier (Laurier): I wish to direct a question to the Minister of Transport. Is he aware of the fact that the Canadian airline pilots association have protested strongly against the decision of Trans-Canada Air Lines to fly its Vanguards on the New York and Chicago runs with only two men in the cockpit, as compared with three on United States lines using the same aircraft? What do the officers of this department intend to do about this problem, which appears to be a serious one?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I am aware of this fact. As it is a matter between the management of T.C.A. and its employees, it is a matter for collective bargaining. The government is watching the situation with a great deal of attention. However, it is a matter for the T.C.A. management. I will pass along the representations of the hon. member.

Mr. Chevrier: If I may, I should like to ask a supplementary question. Is it not also a matter of the safety of an aircraft, as to whether three pilots or two pilots should fly it? That would be a technical matter for the Department of Transport officials to determine.

Mr. Balcer: Yes, Mr. Speaker; as far as the regulation of it is concerned, it comes under the regulating powers of the Department of Transport, which has issued an order in this particular case. I have nothing to add at the present time.

Mr. E. J. Broome (Vancouver South): I wish to ask a supplementary question having regard to the statement that the United States air lines using the same plane carry three pilots. Can the minister check as to whether any United States air line is using the same plane?

Mr. Balcer: It is a fact that no United States air lines are flying Vanguards at the present time.

Hon. Paul Hellyer (Trinity): I have a further supplementary question. Can the minister say whether the department has assured itself that the traffic conditions at Chicago and New York, which are the points under question, are such that two pilots are competent to manage a large aircraft in those flight areas?

Mr. Balcer: Mr. Speaker, this is a technical decision to be taken by technicians. Whatever factors those technicians have taken into consideration are matters that I am afraid I cannot spell out at this time. However, as I stated we are following this matter very closely. When a decision was reached it was based on a technical assessment of this particular situation.

EXTERNAL AFFAIRS

CUBA—INQUIRY AS TO SAFETY OF CANADIAN MISSIONARIES

On the orders of the day:

Mr. J. A. McGrath (St. John's East): Mr. Speaker, I wish to direct a question to the Prime Minister. Can he tell the house whether there is any further information available on the plight of Canadian missionaries in Cuba?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the Canadian embassy in Havana visited the Colon area and reports that conditions there regarding the priests and nuns have improved. I have some expectation that within the next few days there may be something further to report in this connection. The only Canadian who was in custody last week, namely John Darling, was released on Thursday or Friday.

Inquiries of the Ministry

INDIAN AFFAIRS

SARNIA, ONT.—REPORTED INTENTION TO SURRENDER CROWN RIGHTS

On the orders of the day:

Mr. John Charlton (Parliamentary Secretary to the Minister of Citizenship and Immigration): Mr. Speaker, referring to the question asked on Friday last, May 12 by the hon. member for Peterborough, as found at page 4715 of *Hansard*, may I say that the answer is as follows.

By order in council P.C. 1961-680 of May 11, 1961, the governor in council returned to reserve status lands that were surrendered for purposes of Dimensional Investments Limited but not resold by that company. Such lands will be administered as before under the provisions of the Indian Act. Nothing beyond this has been under consideration.

THE BUDGET

INQUIRY AS TO PROBABLE DATE OF PRESENTATION

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, may I ask the Minister of Finance whether he is in a position to give the house any indication of the date or even the approximate date of the budget?

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, it will not be possible to bring the budget down this month.

Mr. Argue: After the by-elections.

Mr. McIlraith: Now we know.

OLD AGE SECURITY

REPORT OF DR. CLARK—INQUIRY AS TO GOVERNMENT STUDY

On the orders of the day:

Mr. Erhart Regier (Burnaby-Coquitlam): Mr. Speaker, I should like to ask the Minister of National Health and Welfare whether he is yet in a position to advise the house of the government's intentions as to action as a result of the Clark report.

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, I answered a similar question very recently. I cannot give the exact date or reference in *Hansard*. However I indicated that it was being studied.

Mr. Hazen Argue (Assiniboia): I have a supplementary question. Can the minister say whether the government has decided to introduce legislation in this field during this session?

[Mr. Diefenbaker.]

Mr. Monteith (Perth): Mr. Speaker, I have nothing to add to what I said on a previous occasion.

Mr. Argue: The minister never knows anything.

CRIMINAL CODE

AMENDMENTS RESPECTING LENGTH OF RACE MEETINGS AND NUMBER OF RACES

Hon. E. D. Fulton (for the Minister of Agriculture), moved the second reading of Bill No. C-89, to amend the Criminal Code (race meetings).

He said: Section 178 of the Criminal Code provides that parimutuel betting may be conducted on horse racing tracks if the parimutuel betting is under the supervision of an officer appointed by the Minister of Agriculture. The section also stipulates the amount of racing which may be conducted by a racing association each year. The purpose of this bill is to amend the present provisions of the act with respect to the number of days of running racing which an association may conduct and the number of trotting races each day.

With respect to running races, an association may, under the present provisions of the section, hold one meet of 14 consecutive legal racing days or two meets of up to seven days each, with a minimum of 20 days between the two meets. While this permits an association to conduct 14 days of racing, the provision that if two meets are held neither shall consist of more than seven racing days has, in some instances, prevented an association from taking advantage of the authorized 14 days of racing. If, for example, an association scheduled a first meeting of four racing days, the second meeting would be restricted to seven racing days, making a total of only 11 such days of racing.

The proposed amendment would permit an association to schedule either one meeting of 14 days or two meetings of any length so long as the combined total of the two meetings does not exceed 14 days. The amendment merely provides more flexibility to associations in scheduling their race meetings. It does not increase the amount of racing which each association is now authorized to conduct, and the present provision that there shall not be more than eight races on each day continues in effect.

The second part of the amendment deals with trotting and pacing races. The present provisions with respect to the number of events which can be conducted in one day is rather complicated, with varying provisions for races, heats and dashes.

In trotting race parlance a dash is a complete event within itself. Races may be made up of a varying number of heats, with the

same horses racing in each heat. The section at present authorizes four combinations of races, heats and dashes in any one racing day. There may be eight races or dashes, which is a total of eight events; or there may be two dashes and four heat races of two heats each, which is a total of ten events; or there may be four heat races of three heats each; which is a total of 12 events; or there may be six heat races of two heats each, which is also a total of 12 events.

This authority for varying combinations of dashes, races and heats has proven to be cumbersome and to create difficulties both for racing associations and for the administration. The purpose of the proposed amendment is to simplify the authority for the number of authorized races and to provide that not more than ten races, or events, will be held in any one day. Racing associations will then be free to adjust their scheduling of races, heats and dashes within that total authority. As in the case of the amendment with respect to running races, there is no increase in the total number of racing events which are now authorized under the section.

In this matter we are, of course, concerned with the humane factor with respect to the horses to the same extent as with the amount of parimutuel betting which is authorized. Since the amendments will not increase the number of events now authorized, but merely provide for more flexibility in scheduling those events, it is considered that both interests are adequately protected in the amendments.

Mr. Speaker, before resuming my seat I think I should simply say that traditionally the responsibility for legislation dealing with this part of the Criminal Code—that is, that part concerned with parimutuel betting and horse racing—has been that of the Minister of Agriculture. The fact that I am speaking today on second reading should not be taken as any departure from that principle. I am speaking on behalf of the Minister of Agriculture, in whose name the bill stands, during his absence in the furtherance of his productive efforts to sell more Canadian wheat.

Mr. Pickersgill: Where is he?

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, we on this side do not intend to object to this bill dealing with horse racing, notwithstanding my own Methodist ministerial background. As no question of political principle seems to be involved in the bill, we do not see any reason for delaying it by discussing it.

Mr. Frank Howard (Skeena): Mr. Speaker, I think we all know, even though we may disagree with it, that Canada's economic philosophy, with which this government agrees and propounds from time to time, is one which is classified generally as free enterprise. The expressions made on a number of occasions by hon. members in this house are that a free enterprise is the paramount thing and must govern our every walk of life; that an individual should have the inalienable right to invest his life savings in enterprises in order to bring to people those things which add to our social and cultural values and understandings. If the individual, following his own individual initiative, is allowed to bring it to full play we have greater employment, lower prices, the quality of our goods and services is better, and the market place is the arena which is a sufficient check and balance against abuses of the system itself.

This particular bill does to a degree smack of state control and bureaucratic interference and influence over the right of individual citizens to pursue their free enterprise tendencies to the fullest extent. The remarks I have just made could of course very well have come from any Conservative hon. member in this house, and have come from them on many, many occasions in the past on other matters. Apparently, though, there is an adulteration of those principles in this particular instance, and perhaps an expression on the part of the government that the general public does not need some protection against the abuses that arise out of this so-called free enterprise system.

It would seem to me—although perhaps this does not fall within the jurisdiction of the Minister of Justice, though he did get off a bit on the selling of wheat and perhaps I will be able to make a comment or two in some other field—that perhaps it would have been much more appropriate, in view of the incongruities which exist in so far as our gambling laws are concerned, if some amendments could have been brought in to deal with the questions of bingos, lotteries and the other types of ticket selling raffles which I am sure every hon. member of this house has engaged in at some time or another. In fact I think some of us have promoted or precipitated certain forms of gambling in order to advance pre-election campaigns, but I think it would have been more appropriate if the—

Mr. Chambers: The unions will be more effective for raising money.

Mr. Howard: It would be inappropriate to do it at this time, and I am not prepared to enter into the field of where my friend and his party get their campaign funds from, but I am quite sure there are far more nefarious

strings attached to the donors to his party than are or ever will be attached to those who donate to my party.

Mr. Hellyer: But you admit there will be nefarious strings attached to gifts from some of your supporters.

Mr. Howard: I have not admitted anything of the sort.

Mr. Hellyer: That is just what you said.

Mr. Pickersgill: That is what you said.

Mr. Howard: I am not one of those who a few moments ago violated his own principles in connection with something which at an earlier time he did not agree with. Obviously the influence of a former minister of fisheries is still prevalent in this party, and—

Mr. Pickersgill: Mr. Speaker, I rise on a question of privilege. The hon. gentleman has made a reflection on certain hon. members of this house who did not choose to vote for a motion that he put forward in this house two years ago and on which there was no division. Therefore it is quite impossible for the hon. gentleman to know, unless he has some insight that is not given to the rest of us, how other hon. members would have voted.

The plain fact of the matter is that the hon. gentleman knew, when he introduced that motion, that the information for which he was asking was barred by statute of this parliament, and it would be my submission that the motion should never have appeared on the order paper for that reason. In any case, we believe in upholding the laws passed by parliament and not trying to undermine them.

Mr. Howard: Mr. Speaker, if I could speak on the question of privilege, I of course would not attempt to guess what the hon. member for Bonavista-Twillingate intends to do on any occasion, because there is a great deal of inconsistency on his part and on the part of the Liberal party. Just a few days ago—I could not find it immediately in *Hansard* or in *Votes and Proceedings*—an hon. member of the Liberal party stood up in this house and moved a similar motion in regard to the drug industry.

Mr. Deputy Speaker: Order.

Mr. Pearson: That was a different motion.

Mr. Deputy Speaker: Order. I think we should come back to a consideration of horse racing.

Mr. Hellyer: The reason we are so far behind is because his party is so far back in the race.

[Mr. Howard.]

Mr. Peters: Why don't you stand up and make a speech?

Mr. Hellyer: Why don't you say something when you do stand up?

Mr. Peters: You have not said anything standing up or sitting down.

Mr. Deputy Speaker: Order.

Mr. Howard: Mr. Speaker, there is no doubt that betting on horse races is similar to betting on the Liberal party; one is going to lose his money either way. I suggest it would be more appropriate for the government to have brought in amending legislation, in respect of the Criminal Code of a type dealing with all forms of gambling, apart from the political type.

Mr. Erhart Regier (Burnaby-Coquitlam): Mr. Speaker, I should like to say a limited number of words on my own behalf in regard to the amendment now before us. I oppose any form of gambling whatsoever. I believe the amendment now before us will aid and abet the interests of the horse racing industry. In other words, it will make the betting that takes place at race courses a little more lucrative to the organizations which look after horse racing. I believe Canadian people are being led down the garden path in the matter of horse racing, in the matter of bingo games, and in regard to all other forms of gambling, in that they are being led to believe that they can get something for nothing. I oppose gambling on horse racing and on all other forms of games. I oppose horse racing also because I suspect it is a little on the inhumane side because it involves cruelty to animals.

Mr. Speaker, I must plead guilty in that I have purchased lottery tickets—perhaps more than I should have—but I feel that if and when I buy lottery tickets or place a bet on a horse race, I should be informed through the law that I am acting illegally and assisting to lower the morality of the people of our nation.

Mr. W. C. Henderson (Cariboo): Mr. Speaker, I should like to say a few words about horse racing. I do not believe there is anyone in this house, with the possible exception of the hon. member for Victoria (Ont.) (Mr. Hodgson) who knows more about racing than I do. I attended the Kentucky derby last week and saw 100,000 people having fun at the races. I managed a fair at Dawson Creek, British Columbia, where we had race meetings supervised by the Royal Canadian Mounted Police, and I have never seen anything wrong or anyone receive any wrong treatment. I do not drink, and the only bad habit

I have is that I like to gamble, by betting a few dollars, but I suggest that is my business.

I have never seen a population starving, or anything of that nature, because of horse racing, and I have been to all kinds of race meets. I attended the race meetings at San Bernardino, California, one winter. That meeting lasted all winter. Millionaires at those meetings spend a lot of money, with the result that many people are employed. I should like hon. members to know that a boy who looks after a race horse receives between $300 and $400 a month. This is a most lucrative way of making a living, and I suggest there is not a nicer one.

So I say to my hon. friend, who has such tough luck at the bingo games, that I am not in favour of his argument at all. The hon. member for Victoria (Ont.) races horses. He has a big stable of horses, and you will never meet a finer man than that hon. member. I am in favour of horse racing and in favour of the people who raise horses.

Many individuals make a living raising horses. There are many farms in Ontario where horses are raised, from which colts are sold, and the individuals in the business of raising those horses probably have nothing to do with racing at all. Those people raise the colts for sale, and I suggest it is a very nice profession. The racing of horses is certainly not inhumane, and I ask the hon. member for Burnaby-Coquitlam if he has ever seen a jockey fall off a horse at a race track when the horse stopped and complained about it? I suggest that the horse just went right on running.

Mr. Speaker, I am not going to say any more in this regard, as I am sure all hon. members know how I feel about these things.

Some hon. Members: Hear, hear.

Mr. Pearson: Mr. Speaker, may I ask the hon. gentleman a question before he resumes his seat?

Mr. Henderson: Certainly.

Mr. Pearson: Would it be fair to state that what the hon. member is actually saying is that he would like to see more and more horses on the payroll?

Mr. Henderson: Mr. Speaker, we used that particular horse during the election campaign some years ago.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Chown in the chair.

On clause 1.

Mr. Peters: Mr. Chairman, I do not have much experience in regard to horse racing, and I should perhaps direct my question to the hon. member for Cariboo rather than the minister, but I should like to ask whether the proposed changes will have any effect on the number of meetings which can be held in neighbouring communities. I have no personal objection to horse racing, if the meetings are held on week ends, but in my area, where meetings are held in communities close to the Quebec border, there are races held at different towns a day or two apart, using the same horses and normally attended by the same people. This type of exchange goes on for a good part of the summer. I should like to know whether, under these new regulations, there can be only two meetings in one area, or ten meetings, or what effect the regulations will have as to the number of horse races taking place in areas similar to the area to which I have referred.

Mr. Fulton: Mr. Chairman, in circumstances such as the hon. member has suggested, there would be different associations holding the different meetings. One association can only hold one meeting at one place. Therefore if there were other meetings being held nearby at the same time, those meetings would be held under the auspices of different associations.

The purpose of this bill, simply stated, is to provide flexibility in respect of the total number of days of racing which may be carried on by one association. It is not intended to increase the number of meets but to make the situation more flexible by providing that one association can hold not more than 14 days' racing in a combination of two meetings, such as four days and ten days, or eight days and six days, as the case may be.

Mr. Peters: Mr. Chairman, to use a concrete example, if racing takes place one day at Earlton, the next day at Ville Marie, the next day at Noranda, the following day at Val d'Or, all under the auspices of one association, how many days is considered to be a meeting and what effect will this change have? I am interested in this subject because in my area we have a very short racing season, and in providing horse racing in each of the different areas there is a good deal of travel involved because of the distance between the towns. There is also a provincial boundary involved. I am wondering whether the new regulations will prohibit horse racing on the basis I have described.

Mr. Fulton: No, it would not Mr. Chairman. On the basis of what the hon. member has said, if such circumstances did exist—I think he mentioned five places in which racing would be held on five consecutive days, but at a different place each day—they could

only exist with respect to harness racing, not running races. There would be no prohibition of that situation under the proposed amendment.

Mr. Caron: The amendment refers to—

> ... racing during any such meeting to be held on consecutive days on which racing may be lawfully carried on—

Can the minister tell me whether if they are not consecutive days, they are excluded? Is the racing excluded if there is an interval of, say, two days?

Mr. Fulton: Is my hon. friend speaking of running races or harness races?

Mr. Caron: Harness races.

Mr. Fulton: No; I am informed that they could have an interlude of a day or more in between, and they could go on then afterwards to complete their full quota of 14 days. In the case of harness racing the days need not be consecutive. It is only with respect to the running races that the days must be consecutive.

Mr. Howard: It seems to me that there are two or three race tracks in the lower mainland of Vancouver, and the racing season appears to run throughout the whole summer, if I am not mistaken, perhaps for a period of say 60 days. In view of the act as it stands now, why is this permitted? Is it because the races are sponsored by more than one association that they can carry on?

Mr. Fulton: That is correct; different associations holding charters may set their meets consecutively, or so time them that one follows the other.

Mr. Howard: Are there any prohibitions or sanctions with regard to the structure of certain racing associations? Can they be interlocking? Can the same people be members of two associations?

Mr. Fulton: I am advised that one person may be a director of more than one association. The limitation on the association itself is that it must have had a charter or been incorporated prior to 1947, and also have held meetings at which there was parimutuel betting under the control of the Minister of Agriculture between 1938 and 1947. In other words, no association which was not incorporated before 1947 is allowed to hold race meetings.

Mr. Howard: No new ones can enter the field and hold race meetings?

Mr. Fulton: Not unless they were to be incorporated by a special act of this parliament or of the legislature of a province.

[Mr. Fulton.]

Mr. Howard: Under what authority are they incorporated or given a charter at the moment? I refer to the ones that were incorporated prior to 1947.

Mr. Fulton: They were mostly provincial charters. The information I have is that, so far as we know, there are only two federal charters, so they are nearly all provincial charters. Even so, to qualify they must have had their charter before 1947.

Mr. Howard: It seems a bit odd to me.

Mr. Fulton: That is in the code now, and the provision is not being touched by this amendment.

Mr. Howard: It just seems odd to me. In this particular field we are maintaining the status quo as it was in 1947, subject to incorporation by special act of this parliament or of any legislature, and we are also restricting the number of days during which any one association can function. We are also limiting the total period of time, so that one association holding races cannot hold them for a period of more than 14 days. What would be apt to occur if we were to have this open ended and not have the restriction in so far as the number of days are concerned? Is it the thought of the minister or the government that this might allow one or other of the associations to reach such a state of affairs that it would have a virtual controlling influence over the whole of the racing season and therefore be in a monopoly position in so far as the holding of races is concerned? Is the desire to have some sort of competitive element at work?

Mr. Fulton: There are, I believe, two primary reasons for this provision limiting the number of days. One of them is so that no one association can hog the whole field. The other is in part a matter of enforcement and control. It will be appreciated that parimutuel betting can only be carried on where these things come under the control of the minister, and the R.C.M. police must be there to supervise the betting. Well, we do not have unlimited personnel; therefore we must have some limitation. Consequently it is a combination of the two factors; a desire not to see a situation where one association hogs the field and, second, the practical matter of providing the personnel to supervise the betting.

Mr. Howard: This desire to limit or control competition and ensure that one association does not get in a monopoly position and thus be in a position to exploit the entire field may be commendable, but in so far as the R.C.M. police are concerned in supervising the parimutuel betting system, are the R.C.M. police there on all occasions? Are they there

during each day and during each of the races? How do they conduct the investigation or checking to ensure that whatever they want to ensure takes place?

Mr. Fulton: I am informed that there are regulations which prescribe that the R.C.M. police shall be present during the course of any period when parimutuel betting is being conducted.

Mr. Howard: For argument's sake, in the case of a community such as Vancouver which has race tracks operating in the summer season, or for a period of two months, are the R.C.M. police there on each day of those two months during which racing takes place?

Mr. Fulton: If there is betting the answer is yes.

Mr. Howard: Well, then, how does this limitation make enforcement easier, if the R.C.M. police have to be there in any event?

Mr. Fulton: Well, I would think the answer to that is fairly simple, for my hon. friend has said, for instance, that under his hypothetical case racing is carried on for two months. Presumably that is the maximum time for which it can be carried on in view of the number of existing associations and the limitation of the number of days upon which they may each hold race meetings. If we did not have that limit, other associations would come in or existing associations could hold longer meetings, and the R.C.M.P. would have to be present during that longer period.

Mr. Howard: I had in mind maintaining the status quo of 1947, but not the limitation of 14 days. If you have a limitation with respect to the period of time, say a two or three month period, it might allow anyone to enter the field and I can foresee that you would have racing on Christmas day and every other day of the year. I just wanted to get that clear in my mind.

Mr. Fulton: My hon. friend has given a case where racing is carried on for two months. That could be done by four associations under their respective 14 days each, making a total of 56 days. If we did not have that limitation one association could carry on racing for 365 days.

Mr. Pigeon: I should like to ask a question of the minister. How much revenue has the federal government received from racing over the last two or three years?

Mr. Fulton: The information I have is that in 1956-57 the revenue was $533,000, in round figures; in 1957-58, $573,000; in 1958-59, $646,000; in 1959-60, $673,000, and the forecast for this year is $710,000.

Mr. Howard: To what degree does this meet or does it more than meet the expenses of the R.C.M.P. in providing surveillance for these operations?

Mr. Fulton: I am informed that at least during the years I have referred to there has been a surplus, and in recent years the surplus of revenue over expenditure has been in the neighbourhood of $18,000 to $20,000.

Mr. Howard: This is the only organization or individual I know of that makes money at race tracks.

Mr. Peters: Is it safe to say that the legislation does not apply to any meetings where parimutuel betting is not official? In other words, the small race meetings held throughout the country where there is some form of betting but no formal parimutuel betting do not come under this provision.

Mr. Fulton: Indeed they do not. The Criminal Code provides that betting at race tracks may take place only under the supervision of the minister, that it must be parimutuel betting, it can only take place at races carried on in accordance with the provisions which are incorporated in this legislation. It may only be parimutuel betting, and it is only permitted at authorized race meetings.

Mr. Pigeon: How many race tracks are there in each province of Canada?

Mr. Fulton: I do not have that information here for the purpose of this amendment, but I would be glad to get it and provide it to the hon. member.

Mr. Howard: What would be the relationship of race associations of this nature with the Combines Investigation Act and the activities under the act if the occasion arose when there was considered to be some conflict?

Mr. Fulton: It is difficult for me to see that the activities of racing associations would come under the surveillance of the director of investigation and research. I am informed that it is a highly competitive business or occupation and, as the hon. member will appreciate, not only is it regulated precisely by the Criminal Code but where betting does take place it can only take place under the control and supervision of the Minister of Agriculture. Therefore I cannot visualize at the moment how any situation would arise which would be of concern under the Combines Investigation Act.

Clause agreed to.

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the said bill be read the third time? Now, by leave?

Some hon. Members: Now.

Mr. Hellyer: Next sitting.

Mr. Deputy Speaker: Next sitting of the house.

Mr. Fulton: Mr. Speaker, if the bill is not to be read the third time now may I crave the indulgence of the house to correct some information I gave in the committee. I think I said that the excess of revenue over expenditure was $18,000 to $20,000. I am advised that I left out one figure, that it should have been $118,000 to $120,000 per annum.

Mr. Howard: That makes it even more lucrative. Maybe you are engaging in sin.

RAILWAYS, AIR LINES AND SHIPPING

ESTABLISHMENT OF COMMITTEE ON RAILWAYS, AIR LINES AND SHIPPING OWNED AND CONTROLLED BY THE GOVERNMENT

The house resumed, from Monday, February 27, consideration of the motion of Mr. Balcer:

That a sessional committee on railways, air lines and shipping owned and controlled by the government be appointed to consider the accounts, estimates and bills relating to the Canadian National Railway and Trans-Canada Air Lines, saving always the power of the committee of supply in relation to the voting of public moneys, and to consider the pension rights of existing or retired Canadian National Railway employees with respect to anomalies which may have resulted from breaks in the continuity of service, and also to consider the arrangements for turn around benefits for employees of the Canadian National Railway, and the said committee should be empowered to send for persons, papers and records and to report from time to time, and that notwithstanding standing order 67, the said committee shall consist of 26 members.

Some hon. Members: Carried.

An hon. Member: One o'clock.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

Mr. D. M. Fisher (Port Arthur): When this debate closed at ten o'clock several weeks ago I had just been challenged by the hon. member for Kenora-Rainy River on two points. The first was with reference to the word "rationalization" which I had used, and the need for rationalization in railway operations in this country. He wanted to know what I meant by that. Then he challenged me to indicate what rationalization would mean in terms of the number of jobs available.

There was a definition in today's issue of the *Globe and Mail* of the word "rationalization". They said it implies rational or reasonable scientific organization of industry to ensure the best use of labour, material and the machinery of production. The editorial goes on to say that this just means the reign of common sense. I suggest to the hon. member for Kenora-Rainy River that if he will look at the statistics for the Canadian National and Canadian Pacific railways he will discover that since 1956 approximately 25,000 jobs have disappeared on the Canadian National Railways and approximately 16,000 jobs have disappeared on the Canadian Pacific Railway.

Now, this surely underlines the importance of some kind of analysis to ascertain where the railways are going. Whether or not the hon. member for Kenora-Rainy River likes it, railway jobs are disappearing. I insist that what we need to find out is the rate of attrition, and some means of restoring some stability for the railway employees as a whole. The productivity increase resulting from the use of new equipment means fewer jobs. Surely we can stage these changes so they mean less dislocation than we have seen. It is not a question of saying to the railways that they cannot lay off any more men; the men need jobs. This is going to happen, but it could be put on a reasonable basis. It seems to me that the railways, the unions and the government could consult together to see if these changes could not be put on a reasonable basis.

It seems to me that the MacPherson commission report, which has been tabled since we were last discussing the matter, has given the railways a breathing space of perhaps five to eight years in which they can adjust to these new conditions. However, let no member of the house deceive himself; the MacPherson commission and its recommendations, in themselves, are not going to have any effect of lessening this trend toward a decline in jobs. Any member who has had a divisional point in his constituency is aware of the fact that the use of new equipment is having an effect on employment.

I insist that this is one of the things at which we have to look in connection with the C.N.R., and try to find out from Mr. Gordon when he is before the committee what arrangements are being made to stage these lay-offs and this decline in the working force. The figures are startling to anyone who realizes that the Canadian Pacific and Canadian National railways between them in the last four years—this is not counting 1961—

have seen the loss of employment opportunities for over 40,000 people. This represents a healthy chunk of our working force, when you recognize that about five years ago almost 200,000 people were employed by the railways and within another five years we are likely to be down to about 100,000. This gives you some idea of the impact on the country.

One of the things about which we want to hear from Mr. Gordon when he appears before this committee is this matter of the Canadian National getting into the trucking business. A little over a year ago the Canadian National announced that it had purchased four truck lines. The thing that bothers me is that over the year—this is as I understand it—not a single one of these deals has been completed. I have information that indicates that several of these lines are losing money at the rate of $40,000 to $50,000 a month. We want the background information as to how the Canadian National got into this trucking business, and why they went into it in the way they did by using such different methods from those followed by the Canadian Pacific Railway in connection with Smith Transport.

There are countless questions that I think Mr. Gordon will be facing. I only hope that all members of the committee will try to find out where the Canadian National Railway is going in such fields as trucking and employment. I am sure the hon. member for Laurier will join in these deliberations. We should like to know whether we can ever hope for anything better than these huge deficits Mr. Gordon and his management seem to keep building up.

The last point I would mention is the need for a more thorough explanation of the change in the pension system that was introduced by Canadian National Railways this year. It seems to me from my information that this is somewhat of a bookkeeping entry that makes the financial statement of the railway look about $10 million better than it actually is.

During the last few weeks, Mr. Speaker, I have spent a great deal of time reading over the last 10 committee reports when Mr. Gordon appeared before the committee. We have had some very able members of parliament, including the Minister of Justice and the hon. member for York West, who when they were in opposition seemed to have a great time having a go at Mr. Gordon. In the past there has been a very keen interest displayed by opposition members, but it seems to me that in those 10 years Mr. Gordon has always managed to play a superior Hamlet to that of the members of parliament.

This may be what one would expect because, after all, in money terms, he seems to be worth seven and half times what each one of us is worth. I call on all members of the committee to use all their zeal to see if we cannot this year get a little deeper into the roots of the Canadian National Railways to find out why this railway is not doing better than it is, despite the fact it has had this vigorous, dramatic, and I might almost say romantic leadership since 1950.

Motion agreed to.

FREIGHT RATES REDUCTION ACT

AMENDMENT EXTENDING APPLICATION OF REVISED RATES

Hon. Leon Balcer (Minister of Transport) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to amend the Freight Rates Reduction Act to extend for not more than twelve months the period during which the revised rates under the said act shall be applicable and to increase the authorized expenditure under the act by an additional twenty million dollars.

Motion agreed to and the house went into committee, Mr. Chown in the chair.

Mr. Balcer: Mr. Chairman, I am sorry to say that I have not as yet received my file on this subject. However, the committee has seen the wording of the resolution as it appears on the order paper. The last time the Freight Rates Reduction Act was amended my predecessor, the then minister of transport, moved for an extension of that act of 12 months and an increase of $15 million. The reason for that amendment was that the government had decided that the whole matter of the railways would have to be reviewed by a commission known as the MacPherson commission which was to make a complete survey of the situation of railroading in Canada. The MacPherson commission started its sittings, and even at that time my predecessor hoped it would be in a position to make a final report within 12 months. Unfortunately, however, for various reasons this report could not be produced within that time. That was the reason this Freight Rates Reduction Act was extended.

The first volume of the MacPherson commission report came before the public only a few weeks ago. At that time we made sure that the shippers in Canada and the Canadian public would not be hurt by the fact that the MacPherson commission report had been produced so late. Also, as hon. members know, what was produced was only the first volume of that report; there are still two other volumes to come. The purpose of the Freight Rates Reduction Act, as the committee knows, was to reduce, first of all by 7 per cent, the

freight rate increase which had been requested by the railways and had been agreed to by the board of transport commissioners.

This decision of the board of transport commissioners had been appealed by eight of the Canadian provinces. Following that appeal the government decided to bring down this bill. This bill had for its main purpose the provision of $20 million to the railways to permit them to effect a reduction of no less than 7 per cent, which made the previous increase not more than 10 per cent. In actual practice, after the board of transport commissioners had time to assess the real impact of this reduction of $20 million they made a decision to further reduce this freight rate increase by another 2 per cent. As a result shippers were to pay only 8 per cent because of this further reduction.

This further amendment to the Freight Rates Reduction Act will have the effect of postponing for another 12 months this full increase of 17 per cent. In the meantime the government will have a chance to consider the recommendations contained in the first volume of the MacPherson commission report. We shall also be given the opportunity of waiting for the second and third volumes. The first volume contains some extremely important statements concerning matters affecting the railways that depended mostly on legislative action by various governments, our predecessors or ourselves. The second volume will deal mostly with regional aspects, regional anomalies and regional problems that affect the welfare of our railroads in Canada. That is why the government has decided to carry on for up to another 12 months this Freight Rates Reduction Act, and has also decided to vote another $20 million to take care of this difference between 8 per cent and 17 per cent.

This is a general outline of this resolution. When the bill is brought down hon. members will find that it contains provision to take care of the period between today and April 30 next. I know that hon. members opposite have asked what the government was going to do about the matter or what was going to happen in this period; whether the railways were going to be reimbursed for the amount of money they will lose because freight rates were not increased by the full 17 per cent. The bill will look after this matter, and will ensure that the railways and the shippers will not be taxed more than they would have been taxed if this present amendment had been brought in prior to April 30.

I therefore recommend to the committee that this resolution be adopted. It is my intention, after second reading of the bill, to move that it be referred to the standing committee on railways, canals and telegraph lines, as were the amendments to this bill last year and the year before. I therefore recommend the adoption of this resolution.

Mr. Chevrier: Mr. Chairman, I am sure the committee has listened with great interest to the statement the minister has made in connection with this resolution which is now before us. The resolution is a simple one. It concerns the extension of an act which was passed by this house on an earlier occasion, known as the Freight Rates Reduction Act. It can be divided into two parts; first, the extension of the act for a period of 12 months, and second, the increase in the subsidy to the total of $55 million over the three periods that the act has been in operation.

I would remind the minister that in his statement a moment ago he said the last time the act had been amended by his predecessor it was extended for a period of 12 months. My recollection is that the extension was for a period of nine and not 12 months. The minister has also said—and he will correct me if I am wrong—that the object of bringing in this resolution now is to give the government a breathing spell in order to allow them to consider the recommendations in the first volume of the report of the royal commission on transportation, together with the other two volumes which will be coming in due course.

If I am right in the inference which I obtained from what the minister said, I take it that there will be no legislation based on the report of the royal commission on transportation during the course of the present session. I say this because if the intention is to extend this act for a period of 12 months in order to give the government time to consider the recommendations of the royal commission, I take it there is not much hope of such legislation during the course of the present session of parliament.

Mr. Balcer: Mr. Chairman, may I just interject a word here. I do not want to mislead the committee. Actually I stated that this amendment will be for up to 12 months, but any time it were necessary to interrupt the provisions of this act, it could be done. I do not say it will last for 12 months, but it will be up to a maximum of 12 months.

Mr. Chevrier: Mr. Chairman, I thank the minister for the statement he has made. The minister now indicates that while the extension is for 12 months, it may be interrupted during the course of that 12 month period by legislation which would be brought down to deal with the situation in accordance with the recommendations of the royal commission on transportation.

I must at the outset of my remarks deprecate the manner in which the government has dealt with this particular piece of legislation. The reason for that statement is that no intention was indicated by the government until the last days of the month of April. The prior act expired on April 30, and up until a day or two before that date there was no indication by the government to either the railways or the shippers of what the government intended to do in this situation. Therefore it was clear that the mind of the government either was not made up, or the government had entirely forgotten that the act was coming to an end on April 30, 1961. This is indicated not only from the questions asked in the house but also from information which anyone can obtain at the board of transport commissioners, because while the committee knows that the board of transport commissioners cannot make freight rates retroactive, the railways may, if they wish, file a tariff in reduction of rates.

The information I have in my possession is that the railways did file a tariff on or about April 28 which, because the government had not made up its mind, indicated as alternatives either (1) a tariff seeking to increase freight rates to the 17 per cent which was authorized on November 18, 1958, or (2) maintaining the freight rates at the level contained in the act of 1960, namely with the 8 per cent increase. Therefore I do not think there is any doubt that up until that time the government had not made up its mind what it intended to do.

That is indicative of the attitude of the government on this whole problem. I should like to put on record some of the statements made by the Prime Minister during the campaign of 1957. At Drumheller, Alberta, on May 18, 1957, in the Canadian Press report in the Montreal *Gazette* the Prime Minister is quoted as saying:

> On freight rates, he said that a rate pattern discriminatory to the west has been made worse by recent increases. This had struck "an almost paralysing blow" to industrial development in the west.

And according to the Toronto *Globe and Mail* of May 20, 1957:

> He said a Conservative government would equalize freight rates as far as possible to help both agriculture and industry on the prairies compete with the rest of Canada.

Then again during the campaign of 1958, according to a Canadian Press report in the Windsor *Daily Star* of February 14, 1958, the Prime Minister said:

> On freight rates, Mr. Diefenbaker spelled out for the first time his government's apparent intention on the increase granted in January by the board of transport commissioners.

I would ask the committee to pay particular attention to this passage:

> "We said before we were in power that freight rates were unjustifiably high when raised horizontally. Did we act? When the board allowed an increase we held it up because it couldn't be justifiably brought into existence on the basis the increase was provided".

What happened after this statement was made was that an application was made by the railways of Canada to the board of transport commissioners to increase freight rates to the extent of 17 per cent. That application was granted by the board but there was an appeal to the cabinet by the provinces and others under the requisite section of the Railway Act and the appeal to the cabinet from that decision was granted.

Therefore, notwithstanding the words of the Prime Minister in his campaigning of 1958, the high freight rates about which he complained, and the horizontal increases, were worsened to the extent of 17 per cent.

Mr. Jones: This is what the subsidy was for.

Mr. Chevrier: I will come to that in a moment. Does not my friend who has just interrupted me realize that either the Prime Minister meant it when he said "Did we act to stop this increase?", or he did not. He did suspend it for a time, but then the cabinet, after consideration, allowed the freight rate increase of 17 per cent to go into effect.

Mr. Fulton: And immediately introduced a subsidy to reduce that increase.

Mr. Chevrier: Therefore he did not carry out his promise in this connection.

Mr. Jones: Mr. Chairman, I think my hon. friend will agree that a royal commission was immediately set up to take care of the problem.

Mr. Fulton: A subsidy was introduced.

Mr. Chevrier: I will tell the hon. member when the royal commission came into being. It was quite some time after that. I intend to put on the record, step by step, exactly what was done in connection with this matter.

Mr. Jones: A royal commission was set up to investigate it and a subsidy was immediately introduced following that.

The Chairman: Order.

Mr. Pickersgill: What subsidy?

Mr. Fulton: It was the roll back subsidy which is now being extended.

Mr. Pickersgill: That only covered part of the increase.

The Chairman: Order.

Mr. Chevrier: I will deal with the roll back subsidy in a moment. I hope the Minister of Justice will enter this debate and tell us just how the statements made by both the Prime Minister and the Secretary of State for External Affairs, in his capacity as Acting Prime Minister, have been carried out. Incidentally, I have sent a note to the Prime Minister's office advising him that I intend to deal with this matter now.

Mr. Pearson: Where is he?

Mr. Chevrier: Neither of those statements have been carried out by this government.

Mr. Fulton: Would the hon. member permit me to say that it is quite true he sent a note to the Prime Minister's office but I should tell him that it reached the Prime Minister's office almost coincidentally with my hon. friend's intervention in this debate, and after the Prime Minister was involved in another engagement which prevents him from being here at the present time.

Mr. Chevrier: I hope the Prime Minister will not enter this house on another occasion, as he has done before, and say that I have taken advantage of his absence to make a statement when he was not present. At any time the Prime Minister was not present he was, as the Minister of Justice has said, away on other important business—I am sure the Prime Minister cannot always be here—but he should not say that statements are made in this house in his absence with the implication that they are made intentionally then.

To carry on, if I may—I have only limited time—after that the cabinet decided to dismiss this appeal and allow the 17 per cent increase to go into effect, and the Secretary of State for External Affairs in his capacity as Acting Prime Minister made the following statement, which I should like to put on the record; and I draw this particularly to the attention of the Minister of Justice, who interrupted me a moment ago. The statement is dated November 26, 1958 and reads in part as follows:

> The Honourable Howard Green, Acting Prime Minister, issued the following statement today on behalf of the government:
>
> On the hearing of the appeal from the decision of the board of transport commissioners awarding the railways an increase in freight rates in order to meet a proposed increase in wages, it was agreed by the eight provinces and the railways
>
> (1) that the wage increases are reasonable
>
> (2) that a railway strike would be a national disaster and must be avoided.
>
> They disagreed on the propriety of the action of the board of transport commissioners in basing an increase in freight rates on an anticipated wage increase which had not been unconditionally agreed upon by the railways and their employees; the provinces asked that the order made by the board be disallowed on this ground.
>
> [The Chairman.]
>
> We consider that, in future, the railways and their employees must come to a definite agreement before a wage increase should be accepted by the board of transport commissioners as the basis for an increase in freight rates, otherwise the board, as it foresaw itself, is apt to be forced into making judgments about wage settlements which are not its proper responsibility. In the present case we are not allowing the appeal on this ground because to do so at this stage would precipitate a nation wide strike over an increase in wages as recommended by a conciliation board which increase neither the railways nor the provinces have resisted or will resist.

Then, Mr. Chairman, I draw the following words of the Acting Prime Minister to this committee:

> The suggestion was made that these wage increases should be paid from the federal treasury. We do not intend to embark upon a policy of subsidizing wage increases; there would be no end to demands on all governments if such a policy were adopted.

What is this bill we are dealing with now, and what was the freight rate reduction bill of 1959-60, if not a subsidy?

Mr. Balcer: This is not a subsidy in respect of wages.

Mr. Chevrier: How do the words of the Acting Prime Minister compare with the legislation which is now before this committee and which was also then before the house? The statement continues as follows:

> It is however recognized by the government that there are serious inequities in the present freight rate structure which have both contributed to, and been aggravated by, the system of horizontal rate increases. The government has already indicated its intention to move toward a solution of these problems.

It was only after that, namely May 13, 1959 —quite some time after—that the order in council establishing the royal commission on transportation was set up.

I should like to make two points clear in respect of that statement made by the Acting Prime Minister. The first point is, that exactly what he said the government should not do is being done in this legislation. The second point is—

Mr. Balcer: This has nothing to do with wages.

Mr. Chevrier: I am not talking about wages now, I am talking about subsidies.

Mr. Balcer: You said before it was a wage subsidy, but it is not a wage subsidy.

Mr. Pickersgill: When is a subsidy not a subsidy?

Mr. Chevrier: I did not say that at all. I quoted the words of the Acting Prime Minister, who said that.

An hon. Member: You are all mixed up.

Mr. Chevrier: Some hon. member on the other side suggests I am all mixed up, but I would suggest that the government has never been in such a chaotic state so far as freight rates are concerned as it is at the moment.

The Acting Prime Minister complained about the injustice and inequities in respect of horizontal rate increases. That statement was made three and a half to four years ago, and what has been done to do away with the inequities of horizontal freight rate increase? I suggest they have been worsened, first of all by the 17 per cent increase in freight rates, and then worsened again in connection with the extended 8 per cent change in respect of subsidies under the Freight Rates Reduction Act in 1959-60 and now again under this measure. So that the position, in so far as inequities of horizontal increases in freight rates are concerned, is much worse now in 1961 than it was when the Acting Prime Minister made his statement. There is no doubt that in respect of this act, as well as in respect of the whole field of freight rates, the government has certainly made a complete mess of it.

There are one or two other matters which I feel I should direct to the attention of the committee. The order in council setting up the commission, P.C. 1959-577 dated May 13, 1959 had, amongst others, the two following objectives to consider:

(a) Inequities in the freight rates structure, their incidence upon the various regions of Canada and the legislative and other changes that can and should be made, in furtherance of national economic policy, to remove or alleviate such inequities;

(b) The obligations and limitations imposed upon railways by law for reasons of public policy, and what can and should be done to ensure a more equitable distribution of any burden which may be found to result therefrom.

The first objective of the royal commission on transportation was to remove the inequities in the freight rate structure. Has anything been done in this respect? I ask the minister to indicate whether the government, since it came into office in 1957, has done anything to remove the inequities of the freight rate structure.

Mr. Balcer: That is precisely why we set up the royal commission, to investigate this whole matter.

Mr. Chevrier: That is not what the Prime Minister said. I placed his words on record the other day and I will do so again. When we were discussing the continuation of the work of the railway employees in November of last year the Prime Minister indicated quite clearly one of the reasons the royal commission was established. At page 359 of *Hansard* for November 30, 1960 the Prime Minister had the following to say:

The reason we say we are waiting for the report of the royal commission is this. It will make its report as to the means whereby these discriminatory rates may be avoided.

Has it done that? I asked the question a moment ago. That is the reason this is being done. Well, the Prime Minister said:

It will make its report as to the means whereby these discriminatory rates may be avoided. Legislation will then be introduced in order to equalize opportunity across Canada. The freeze will then be taken off and the railway companies may then make an application to the board of transport commissioners to raise the freight rates and to take into consideration the agreements now in existence between the employers and the unions back to January 1, 1960.

Four things were set out by the Prime Minister. Not one of them has been accomplished. First, the inequities would be removed by the report of the royal commission. Next, freight rates would be equalized across the country. Third, the freeze would be lifted; and fourth, the railways could apply for increased freight rates.

Mr. Balcer: We will still have that.

Mr. Chevrier: That was all to take place before May 15.

Mr. Pearson: That is so.

Mr. Chevrier: The position is quite clear. There is no doubt in the minds of those who have given this matter any study what was in the mind of the Prime Minister. He made it quite clear, as indicated in the words I have quoted. There is no doubt that the Prime Minister expected and anticipated a report by the royal commission at that time. There is no doubt he thought that a formula, as he said, would be found whereby the strike might be averted, but instead of that—

Mr. Browne (Vancouver-Kingsway): It was averted; the dispute was settled.

Mr. Chevrier: Of course it was. And from the commission has come a four-pronged recommendation involving subsidies to the extent of $100 million. It is a recommendation for subsidies notwithstanding that the Minister of Labour said that he was against subsidization in this respect.

Mr. Browne (Vancouver-Kingsway): For wages.

Mr. Starr: May I interject a word here, so there will be no misunderstanding. I made a statement in respect of subsidization of wages. There is no recommendation in the royal commission report at all with respect to wages.

Mr. Pearson: It's to give them the money for something else.

Mr. Chevrier: So there will be no misunderstanding about what the Minister of Labour said, I quote from his statement in *Hansard* of November 30, 1960, at page 347:

> Some of those who have suggested implementation of the majority report have also suggested subsidies to the railways. The Prime Minister has clearly expressed the basic weakness of such action. Once such a course was embarked upon this might again provide an undesirable precedent. The dangers inherent in such a solution must surely be obvious. Such a course might well be an easy way out, but in time it would be the hard way of settling such a dispute.
>
> In the case of the Canadian National Railways the taxpayers of this country are already being called upon to make up huge deficits. To require the Canadian taxpayer to subsidize the operating costs of the Canadian Pacific Railway Company would be setting a most dangerous and costly precedent.

Did the Minister of Labour make this statement?

Mr. Starr: Yes, I made it in respect of any wage settlement.

Mr. Chevrier: I have the admission from the Minister of Labour that he made this statement. The threatened strike has been settled. The presidents of both railways have clearly indicated that they have to get the money to pay the increased wages. Where is the money to come from? I have repeatedly asked this question. The government ought to be in a position to tell us. Of course it must come in some form or other, unless the deficit of the Canadian National Railways is to be increased by its proportion of the $40 million required to pay this increase in wages. Therefore the subsidization policy which was being condemned by the Acting Prime Minister, the Secretary of State for External Affairs, in November, 1958, the subsidization policy which is condemned by the Prime Minister, the subsidization policy which is condemned by the Minister of Labour—

Mr. Starr: In respect of wages.

Mr. Chevrier: All right, I will add that—in respect of wages, must of necessity be considered at the present time by the government. I ask again—

Mr. Pickersgill: It has been promised to the railways.

Mr. Chevrier: I ask again, as I have asked before, how is this going to be implemented? How is one of the recommendations of the royal commission on transportation going to be implemented? Is it going to be implemented by way of legislation? If it is, the minister had better hurry up, because after all parliament is entitled to an intelligent discussion of this whole matter, and if it is the intention of the government to bring this session to a close at the end of June or early in July it will not be possible to do this.

The other alternative is for the government to bring in a subsidy to cover this increase in wages. Will the government do this? I think the committee and the country are entitled to know how this matter is to be dealt with, and thus far we have had no indication.

Mr. Balcer: Mr. Chairman—

Mr. Chevrier: Does the minister want to ask me a question?

Mr. Balcer: I should like to ask a question.

Mr. Chevrier: Fine; I will yield.

Mr. Balcer: Is there anything in the first volume of the MacPherson report recommending subsidies of $100 million which says that if the government pays such a subsidy it will be paid to meet the wage bills of the two railways? Can the hon. member point to any page of the MacPherson report which says that?

Mr. Chevrier: No, I cannot. It is not recommended. I will admit at once there is no recommendation along that line in the MacPherson report, and I think it was excluded from the report; but will the minister answer this question? If it is not to be found in the $100 million or so recommended by the royal commission on transportation, where is it to be found?

Mr. Balcer: The intention of the MacPherson report as stated by the commission is to create an atmosphere and put the railways in a position where they will be able to meet their various obligations and also expand and develop as they should. If the government implements any of the recommendations of the MacPherson report, or if the government introduces legislation based on parts of the MacPherson report, it will be with that thought in mind and it will not be, as the hon. member for Laurier says, a subsidy to meet the last wage increase.

Mr. Chevrier: What the minister says simply confirms the argument that I am attempting to develop. A moment ago he said the government must have a breathing space in which to think this whole matter over, but that breathing space is certainly going to last more than a couple of months. Then, I ask, meanwhile where is the money going to come from if not by way of another $1 item or another subsidy item in the supplementary estimates at the end of the session to meet this particular problem? This is a matter which the government cannot get away from. It is a matter on which parliament is entitled to have some information. It is a matter

on which absolutely no light has been thrown either by the Minister of Labour, the Minister of Transport or the Prime Minister himself. On the contrary, the statements they have made indicate quite clearly that there is going to be no policy of subsidization, although the measure now before us is subsidization for wages.

Mr. Balcer: Subsidies for the shippers.

Mr. Pearson: How are you going to get the money for the wages?

Mr. Pickersgill: This is subsidization for wages.

Mr. Chevrier: I am worried about parliament. I think parliament is entitled to know. I think parliament should not be kept in the dark. I think the government should tell us, as the Prime Minister told us on November 30 what would be done; that legislation would be introduced to implement the recommendations of the royal commission, that the freight rate freeze would be lifted, and that the unions would be able to bargain with their employers, in accordance with the agreements. That is what he said. None of that is being done. It would have been much better if he had not said anything in that particular respect.

Then when he spoke on television the other night he said that the government was responsible for the settling of the strike. I do not know what the government did to settle the strike. It certainly did not take an active part in the settlement. In answer to a question which was put to him earlier, before the strike was settled, the Prime Minister made it quite clear that he had invited the parties to get together, and his reply was that the government had not been successful at that time in getting them together. That is what I am complaining about, if my hon. friend wants to know.

Before this debate is concluded I think we should get a clear indication from the minister and the government of what is going to happen. So far as the retroactive date of this legislation is concerned, I think any comment I have to make in that respect will have to await the bill. I believe it is advisable, as has been recommended, that this matter be referred to the committee on railways, canals and telegraph lines so that the trucking industry and the provinces, if they feel so disposed, can make recommendations in this respect.

I want to point particularly to two things. The first is the chaotic situation in which the transportation situation now is because of the indecision and hesitation of the government. The second is the fact that the government did not realize that this particular act was coming to an end on April 30 of this year and took no steps to introduce this legislation until the dying days of the month of April, contrary to what was done on previous occasions when notice was given to shippers, the railways, the board of transport commissioners and the country as to what they could expect. After all, it is the board of transport commissioners that fixes the rates by order, and the board cannot make rates retroactive. As the Leader of the Opposition points out to me, it is contrary to the pledge on the part of the government. So I say that the government has failed on these two counts.

Mr. Fisher: Mr. Chairman, we support this resolution as we have on the two previous occasions when similar resolutions have been before us. We will vote for it, but this does not mean that our approval is not conditioned by the view that it is a palliative and an expedient on a very short range basis. I should like to emphasize the criticisms that have just been made which it seems to me are to this effect, that this is another example of the procrastination, posturing and indefiniteness of the government with respect to its policy in the field of transportation.

The hon. member for Laurier is sceptical about the past record of the government in relation to the railways. He pointed out that before the election in March, 1958, the government put a freeze on freight rates. As the hon. member for Assiniboia has said on former occasions, this was a brave act. But once the election was over and the railways came back with a further application the freeze disappeared and we had this subsidy. I think hon. members should be aware that the subsidy is extended to the Canadian National Railways, a publicly owned organization, and to the Canadian Pacific Railway, a private organization.

The whole idea of the subsidy was conceived in those dark months in the fall of 1958 when, according to rumours, the present Minister of Veterans Affairs led a revolt in the cabinet against the whole idea of freight rate increases. There have been press reports as to what occurred. As I remember, the Prime Minister was out of the country and the then minister of public works was in charge. There was quite a little battle over the matter, and this legislation was the solution.

Apparently $20 million was all that the western members of the cabinet were able to pry out of the Minister of Finance. It was recognized by all members who followed the legislation that the subsidy was not adequate to meet the increase and was only

a partial or half-way measure. The hon. member for Laurier has indicated by quotations from what the Prime Minister has said in the past that there have been many inconsistencies in his arguments. I hate to read from old records, but there is one paragraph in the announcement made by the former minister of transport when he first introduced this legislation which I think underlines the point made by the hon. member for Laurier. As found on page 2208 of *Hansard* of March 24, 1959 he said:

> As hon. members know, the government has indicated its intention of proceeding with a comprehensive inquiry into matters affecting the railways. The proposed legislation therefore limits the assistance to a 12-month period, when it is hoped a report will be available to the government.

I point out that this was over two years ago. This is the capacity of foresight that the government seems to have. Over two years ago the minister predicted a report in about a year's time, and the report actually appeared another year later. In other words, it took two years instead of one and we now have only part of the report. At that time the minister went on to say:

> Consideration will then be given—

That is, when the report is available.

> —to means of further relieving the unfair discriminatory burden of the freight rates structure.

We do not know what the steps are going to be but it is quite apparent that we are not going to get this legislation this session unless we work all through the summer and have a fall session. I have indicated previously that I feel we are on the eve of a general election. It seems to me that this kind of part-way measure is just a means of clearing the way for a general election without really revealing the government's policy. I should like the minister to tell us whether they feel it is possible for them to go ahead on the freight rates matter with only one volume of the MacPherson commission report. If it is not, when do they feel they can act to rationalize or equalize the whole freight rates question? One cannot help but be cynical or sceptical of their record in view of the way they have diddled and dawdled along with the transportation question.

The matter of the strike that was averted by the settlement between the railways and the unions a few weeks ago is another very good indicator of how the government has procrastinated with regard to the transportation problem. We were glad to see a settlement, but we are left with unanswered questions which it seems to me will be still floating around during a general election.

From the reaction of railway employees I know that the heat is off now and their sensitivity is sinking. It is much less keen that it was a month ago and, politically speaking, this is an ideal situation for the government in relation to an election.

However, the settlement does not really answer the problem that other speakers have brought up; where is the money coming from for the raise? It is not going to come from this legislation, because this is just a partial palliative; and since the railways have only signed a two year contract with the unions and since the contract runs out at the end of this year, we are going to be involved next year again in the same dreary round of conciliation boards, high cost reports and analyses and frustration on the part of everyone in relation to the railway problem.

I could point out to the minister, for example, that the Canadian National and Canadian Pacific got together and approached the Woods Gordon Company. This company turned out a rather extensive report, which I have read, which would supply the railways with a standard approach to entering into wage negotiations. The minister knows, if he has read the Milvain report, Judge Milvain really threw that extensive report right out the window. I hear now through the grapevine that the railways are right back with Woods Gordon again. They have assigned this organization to do another study in the same field. This is an example of the continual frustration and expense that is involved when you do not have a clear transportation pattern or picture presented to you by the government.

The general satisfaction that is felt in most parts of the country over the fact the royal commission report is now available must be tempered by the fact we have had no real indication from the government as to its response to these recommendations. The response of the country as a whole has been generally favourable, except perhaps in western Canada where there are still some very vivid criticisms of the recommendations in relation to the grain rates. Here again, as every member from the west knows, the Crowsnest pass rate is a fundamental political issue in western Canada. This is a bread and butter issue, and it seems to me that the government has moved itself into a situation where it has not answered the question of what is involved in the report on the Crowsnest pass rates. The government has not indicated what it is going to do about this recommendation. Consequently, the whole election in western Canada is going to be fought in a bit of a vacuum or will be surrounded by mystery.

I saw an excellent editorial in the *Manitoba Co-Operator* for April 29 of this year dealing with the transportation commission. The editorial stresses that the western farmer must take a new look at the recommendations, not only in relation to the subsidy for grain rates but also the matter of passenger service abandonment and branch line abandonment. The *Co-Operator* stressed the dissenting report of Mr. Gobeil and said it made very good sense to them. He raised a fundamental question about the Crowsnest pass rates which should be answered. The keynote here which I bring to the attention of the minister is that in western Canada the royal commission report has not removed the suspicions with which the people look at the Canadian Pacific Railway. I hope the minister has noted what the commissioners say about the Canadian Pacific Railway's case in connection with the grain issue. Certainly, the Canadian Pacific did not prove that they suffered a tremendous loss through the carriage of grain. I am sure western Canadian members will have some views to express on this question. I am not asking on their behalf but on behalf of this group for a statement from the minister regarding the government's position in so far as the commission's recommendations with regard to the Canadian Pacific Railway are concerned.

There is one question that I think troubles many members and has been troubling them for a long time. The Canadian Pacific Railway pension situation is not nearly as attractive or decent in relation to former employees as is that of the Canadian National Railways. On a previous occasion the Prime Minister indicated that our committee on railways was going to go into this whole pension matter. I imagine all members have received representations from the various organizations representing borth former Canadian National and Canadian Pacific employees. You might ask, Mr. Chairman, what relevance this has to this measure. Previously, we have had a very wide ranging debate on such measures, and I should like to suggest it is time we asked the government what it intends to do to bring the Canadian Pacific into line on this pension issue. It is worth while to ask this question because this measure we are discussing relates to a subsidy not only for the shippers but also for the Canadian Pacific Railway.

There is one other factor with which I wish the minister to deal at this time. The hon. member for Humboldt-Melfort has a bill on the order paper for the purpose of bringing rapeseed within the meaning of the term "grain", in order that it can gain the advantage of certain rates. Since I have been a member of the house, this issue has been brought up every year by the representatives from that particular region. It seems to me that this is another part of the transportation picture to which we should have an answer at this stage. Why is it the government does not feel it can give this particular product the benefits of the subsidies that are now in existence in so far as freight rates are concerned? The debate on this measure, Mr. Chairman, will probably be a relatively short one. I ask the minister if, before it concludes, he could not give us some kind of projected schedule as to when we will get legislation that represents conclusions drawn from this MacPherson report. I should like him to be as frank and as candid as he possibly can because the whole matter of the wage increases that will be sought fairly soon, we can be sure, by the railway unions—perhaps toward the end of this year—will result again in a climate of dissent and disagreement, and a feeling of uneasiness will again be abroad in the country. This may be done after a general election has taken place, but it seems to me that an honest government would do its best to lay its cards on the table before we have an election.

Mr. Henderson: Would you say this was not an honest government?

Mr. Fisher: I did not say that at all. I just said that I thought an honest government would lay its cards on the table before it went to the people on an issue as big as this which affects as much of the country as this does. We have been very much disturbed by this whole freight rate question. The region I represent, the bridge region, has been up in the air. This region made very strong representations to the MacPherson commission. We know that the prairie provinces spent thousands and thousands of dollars for counsel and presentations to the commission. British Columbia is vitally involved. Their member of this commission entered a dissenting report. We feel that in this kind of situation the honest government is the government that puts its cards on the table so that we know what it plans to do and when it plans to do it.

One aspect of this question was brought up by the hon. member for Laurier. He asked where the money is coming from to pay the wage increases. Is there going to be a later subsidy? As I indicated, this measure is only a palliative.

In reply to the hon. member for Cariboo, I would say that I would not go around labeling any government either honest or dishonest except in a specific situation. Surely, this is a specific situation that calls for honesty. All I can point out is that the transport minister, when he first introduced this legislation, was

mistaken in his estimate as to how long it was going to take and what was going to flow from the government's policy. I think if the hon. member checks *Hansard* he will find this government said it expected to be able to act in one year. Instead, we have had one postponement and then another postponement. Here we are, over two years later, and we still are not in a position to know the policy or direction in which we are going. This is not an accusation of dishonesty, it is an accusation of procrastination and indecisiveness, of not being able to really plan the legislative future. I do not see how the hon. member could disagree with this analysis, even if he does support the government. If he wants to make the kind of contribution he can make perhaps more effectively in the caucus than here, I suggest that he along with other members keep pressing in caucus for the transportation policy of this government. I refer to the policy that it hopes to take to the people and not this short range palliative.

Mr. Granger: I should like to say a few words while this resolution is being debated. Freight rates have an important bearing upon the cost of living and the conduct of business in Newfoundland and, in fact, in all the Atlantic provinces. We are a considerable distance away from the industrial centre of Canada. As I have pointed out previously, we in Newfoundland import practically everything we use, everything we wear and most of what we eat. Freight rates are therefore of vital importance to those of us who live in Newfoundland and in the Atlantic provinces; and any statements made with regard to freight rates or any legislation passed in relation thereto must command our intense interest. Our economy depends, to perhaps a greater extent than that of any other part of Canada, on the cost of moving goods.

I should like to call attention to an advertisement which must have been very appealing at the time it appeared because of the interest taken in this matter by the part of Canada from which I come. I refer to an advertisement which appeared in the Halifax *Chronicle-Herald* of June 8, 1957. The advertisement was appropriately edged in black and blue and it urged maritimers to vote Progressive Conservative. It contained this pledge:

> We are committed to the original pledge given to our people at the time of confederation that freight rates would be adjusted and transportation facilities would be provided so that our geographic position would not prejudice our producers in having reasonable access to the markets of Canada.

That was a noble sentiment and it no doubt affected advantageously the political fortunes of some hon. members. But what in fact happened? What happened was this, if I may make a brief résumé of subsequent events. The board of transport commissioners allowed or approved an increase of 17 per cent. In 1959, parliament cut this figure down to 10 per cent and later, in the next year, cut it to 8 per cent, paying the difference between that figure and 17 per cent. I suppose the idea now, if my understanding of it is correct, is that parliament will approve the payment of the difference to the railways so that they will still get 17 per cent in order to meet their wage bills.

[Mr. Fisher.]

Be that as it may, the cost of transportation is still up and it bears very heavily on a section of Canada which is least able to pay high costs. By virtue of our geographic position on the eastern seaboard there is a longer haul to get vital supplies in, the goods manufactured in central Canada, the things that are used in normal daily existence, as I mentioned previously, such as food, clothing and so on. These things have to be brought in to Newfoundland from various parts of Canada. They have to be loaded at the port of North Sydney, unloaded at Port aux Basques and loaded on railway cars or perhaps loaded on ships for various ports and unloaded again. Any way you look at it, the cost of transportation is bound to be high unless effect is given to this principle which appears in the advertisement I mentioned and which reads:

> —freight rates would be adjusted and transportation facilities would be provided so that our geographic position would not prejudice our producers—

And so on. It would appear from the record that this has not been done and that the Atlantic provinces still suffer from freight rates which are too high and which bear unequally on a part of Canada which provides an important market for the rest of Canada.

Mr. Phillips: How did that situation occur?

Mr. Granger: I beg the hon. member's pardon? How did what situation occur?

Mr. Phillips: How did discrimination in freight rates occur?

Mr. Granger: All I have to say in answer to that question is this. The discrimination has not been removed in accordance with the pledge of the party of the hon. member; and the fact is that a part of Canada which is important economically to the rest of Canada has its own purchasing power reduced and its economic expansion curtailed because of a freight rate scale which is too high. I would ask the minister to keep this matter in mind and to remember that there is real advantage in a policy such as this, to quote again from the pledge:

—that freight rates would be adjusted and transportation facilities would be provided so that our geographic position would not prejudice our producers in having reasonable access to the markets of Canada.

Mr. Pearson: I do not wish to prolong this discussion as there will be an opportunity to speak again when the bill founded on this resolution is introduced. At that time we shall be able to make our position known with regard to the details of the legislation which is now contemplated. However, in view of the minister's introduction of this resolution and the importance of the principle involved in it, I wish to say something at this time.

In the first place I should like to reiterate and emphasize what my friend the hon. member for Laurier said a few moments ago, namely that when the Prime Minister and the present government took office in 1957 they were pledged to the elimination of horizontal freight rate increases. There can be no doubt about that pledge. At that time the Prime Minister made it perfectly clear that he would stop all these inequitable freight rate increases and would bring in an alternative policy which would be far more effective in dealing with the problem than the device of horizontal increases.

We soon learned what this pledge meant. The threat of the strike in 1958 made that matter perfectly clear; the fact that there would be no such long range policy introduced. On November 27, 1958, the government provided for a horizontal increase of 17 per cent with a view no doubt to preventing the strike. Our position as a party at that time was made perfectly clear in a statement then released and I do not wish to repeat it now. It may be necessary to put it on the record later. This increase was compensated, in part, by legislation reaffirming and introducing again the principle of subsidies, which brought down the impact of the increase by, I think it was 9 per cent. But it left the principle itself intact.

That legislation has been renewed. We are now being asked to renew it again. As my hon. friend from Port Arthur pointed out, this is itself proof that the government in the years since has had no long range policy to put before the house in respect of this important matter.

Of course, the minister will say, "Oh, well, we set up a royal commission to deal with this matter", and the recommendations of this royal commission will no doubt in due course be implemented. I think we were told in the house the other day that it is the intention of the government to implement them in part—at least in part.

However, it is quite clear that whatever may be the intentions of the government with regard to the recommendations of this particular royal commission, those intentions cannot be carried out to deal with the present situation in which the railways now find themselves, having a few days ago accepted the recommendations of the conciliation board in regard to wage increases.

We have been asking the minister how the railways are going to meet this new obligation which they told us through the government last November and December they could not possibly meet, that they were not in a position to meet. The minister says, "Oh, these recommendations will in due course put the railways on their feet. They will make possible improvements in railway management. Operations will be more economical and they will be able to get out of some uneconomic activities. As a result of this they will be in a better position to raise wages to the level which is demanded".

But this is not going to help the railways meet this particular demand which they have accepted. As a result of their acceptance a strike was prevented in May on exactly the same basis as we suggested last November it should be prevented. Therefore we ask the minister, when he winds up this discussion, to tell us how the railways are going to do now, in respect of this matter, something they found it quite impossible to do last December.

Last November and December when this matter was being debated, spokesmen for the government, the Prime Minister and the Minister of Labour, made it quite clear that the attitude would be that taken by the Acting Prime Minister, in 1958 I think it was; that subsidies would not be resorted to as a way out of these difficulties. This was still going to be the decision of the government—no subsidies. We need not put anything more on the record on that score.

The minister now says, "Subsidies specifically tied in to wage increases are one thing, but subsidies for something else as recommended in a royal commission report are different". But a subsidy used by the railway for one purpose can help that same railway in some other respect; in connection with wage increases or anything else, because it is quite clear that if you help the railway in one direction you will help it in another.

The government's position is that the railways should not be assisted through subsidy but that wage increases—and I want to be fair to the minister in this—should be made possible, when desirable, by the removal of discriminatory freight rates. That was the position taken, we know, by the government in November and December. But having taken that position, the Prime Minister said this would be done through the royal commission

in time to be effective before the strike deadline of May 15. There can be no doubt about that, and there is no use of the minister or anybody else trying to tell the committee that what the Prime Minister had in mind was that ultimately these things would be corrected, discriminations would be removed and everything would be all right in the future.

I say this because the Prime Minister's words are so clear that there can be no reason for any misunderstanding. I am going to read them. At page 359 of *Hansard* of November 30, 1960, the Prime Minister is reported as having said:

> The reason we say we are waiting for the report of the royal commission is this. It will make its report as to the means whereby these discriminatory rates may be avoided. Legislation will then be introduced in order to equalize opportunity across Canada.

All this would be done to avoid a railway strike. Then the Prime Minister went on:

> The companies may then make an application to the board of transport commissioners to raise the freight rates and to take into consideration the agreements now in existence between the employers and the unions back to January 1, 1960.

If that were not clear enough, the Prime Minister repeated it on December 1 at page 370 of *Hansard*. This time he put the date in at which these things would be done, he said, "By next May 15—". Not May 15, 1962, 1963 or whenever the royal commission will have completed all its work, but he said:

> By next May 15, without the sacrifice of anything except a postponement, every railway employee will be in a position through his bargaining agent to come to an agreement with the railway company. The railway company will be able to apply to the board of transport commissioners. The freeze will be lifted and the Canadian people, in the normal run of events, will then have to pay extra freight rates in order to meet the increased wage levels, just as they have to pay to meet all other types and varieties of expenditure.

So I ask the minister, when he replies, to tell us whether this is the situation now? Of course it is not; it has not been so. The strike was prevented, but not on the basis stated by the Prime Minister in those two excerpts from *Hansard* which I have just read. There can be no doubt about that.

Something else has happened. A great mystery has developed as to how this was done, and perhaps the minister will enlighten us in due course as to that mystery and what has been done to make it possible for the railways to do in May what they said they could not do in December. Perhaps the government is going to put a $1 item in the supplementary estimates which will make it easier.

There is something else which certainly should be brought to the attention of this committee. I regret doing this while the Prime Minister is not here, because it is a report in the press which refers directly to a statement made by the Prime Minister. However, it is a statement to which a good deal of attention has been given and which has not been corrected, so far as I know.

It deals with the resolution which was put on the order paper—the resolution which we are now discussing—and more particularly in regard to the retroactivity of the legislation which was required because of the carelessness of the government in not bringing in this legislation before April 30.

There is a Canadian Press story about this dated April 25 and I quote from it:

> Prime Minister Diefenbaker said Friday—

This was not in the house, but outside, I believe:

> —legislation to extend the $20 million a year rollback subsidy on freight rates will be made retroactive to May 1 when it is passed by parliament.

It is obvious that this has to be done because it was not brought in when it should have been. Then the story goes on:

> Present legislation authorizing the subsidy, under which the federal treasury has put up $35 million in the last 21 months to counteract a 17 per cent freight rate increase granted in 1958, expires Sunday night.

That is the $35 million to take the place of this long range policy that the Prime Minister was going to introduce in 1957. Then the story goes on, and this is the important and astonishing part of it. It is almost impossible to believe that this is accurate. Here it is, however:

> Mr. Diefenbaker was asked whether it would be necessary for parliament to act on the extension today in order to assure there is no lapse.
>
> He said the government notice given the commons earlier this week would act in the same way as a budget proposal which becomes effective when it is announced, subject to later parliamentary approval.

I should be glad to hear the minister answer that statement which is attributed to the Prime Minister and not changed or corrected since that time; which lays down the incredible doctrine that legislation of this kind, which is to be made retroactive, because it is the same as a budget resolution, becomes automatically retroactive, when it is passed, to the date the resolution was put on the order paper. This is something entirely new to constitutional law and parliamentary practice. To give the impression, through a story of that kind in the Canadian press, that whether we bring this legislation in after April 30 or not, when the legislation is passed it becomes retroactive in the same form as a budget resolution, to the date of its introduction, is, to use the politest words I can find,

misleading to anyone who reads the story. I would be very glad indeed to have the minister deal with this particular aspect of this particular resolution.

As I have said, Mr. Chairman, when the resolution is passed and the legislation is before the house, we will all have an opportunity to give it the kind of examination it deserves. Meanwhile, we have the right and duty at this time to express our disappointment, in and condemnation of, the government for, in May, 1961, introducing legislation to carry on for another year, or whatever term it may be, a policy which the government itself said in 1957 was wrong and would be changed if it were given the opportunity to make the change.

Mr. Herridge: Mr. Chairman, I should like to speak very briefly in respect of this legislation, and I take this opportunity of doing so because this resolution provides for the continuance of subsidies.

I rise now to speak very briefly in respect of two matters which are of importance to many individuals in British Columbia; first, having regard to the injustice suffered by certain pensioners of the Canadian Pacific Railway who were retired prior to January 1, 1953. This matter has been brought before the house repeatedly by members of this group, as well as other members of the house, and the situation has been fully explained. I do not at this time intend to take up the time of the committee by going into detail. Suffice it to say that regardless of the concern of members of this house, and representations made in this house, as well as the indication on different occasions that the minister would look into the matter, to date no action has been taken to remedy this situation.

During the debate regarding the postponement of the strike which threatened to occur on September 1, 1960, this matter was again brought to the attention of the Prime Minister who promised at that time that a special committee would be set up to deal with this question and to hear directly from the workers concerned in an attempt to find a solution to the problem. So far as I know there has been no action taken to date in respect of that promise.

The hon. member for Port Arthur raised this question on that occasion in his usual eloquent, inspiring and informative manner, but I should like to take the opportunity again of raising this point, because it is a matter of great concern, and because we are dealing with the question of subsidies to railways, paid for by the people of Canada through the government of Canada which has a responsibility to take action to correct this injustice which the pensioners have suffered. I trust that the minister will inform the committee whether any consideration has been given to the problem that is of concern to the workers involved so that they may appear personally, or by representation, before a special committee to explain the circumstances of their problem.

Having made those few remarks regarding this matter, I should now like to raise, as I have done on a number of other occasions, the question of equalizing freight rates. I am prompted to do so by a letter dated April 24, 1961 I received from a Mr. C. W. Brazier, who was counsel to the province of British Columbia in respect of freight rates matters. I should like to quote portions of this letter. Mr. Brazier writes as follows:

> Re: Royal Commission on Transportation.
> In line with the policy of keeping the members of parliament from British Columbia informed as to the position of the provincial government on transportation matters, I would like to comment briefly on volume 1 of the report of the royal commission on transportation which was released on April 10, 1961.

I presume that this committee will give some consideration to this report at a later time. Mr. Brazier goes on to say:

> First of all I must state that the provincial government is gratified at the over-all approach of the report to the railway problem. I believe the commission has placed the problem in its proper context—"the unequal impact of competition across the nation," the inequities arising therefrom, "the inability of the railways to adjust to competition because of the yoke of organization, plant and service suited to another age," all aggravated by burdens imposed by public policy and the reluctance of railway management to accept new concepts demanded by new conditions.

I think that is a very fair and reasonable observation with respect to volume 1 of the royal commission's report. The letter goes on as follows:

> It is my opinion that the analyses of the issues made by the commission are fundamentally sound—

Perhaps I should point out that I know Mr. Brazier very well, indeed. As a matter of fact, he was a partner of mine in business, and I say that in rather a subdued voice. He writes as follows:

> It is my opinion that the analyses of the issues made by the commission are fundamentally sound and that the measures proposed to overcome the problems are timely, constructed and geared to present and future needs of the railways and the nation.

I am very glad to see that Mr. Brazier takes that point of view after making a study of the report, with a great deal of experience in freight rates questions, and as representative of the government of British Columbia for a number of years.

He then goes on to say:

> It is gratifying to note that the basic position of the province of British Columbia advanced in two briefs—

I have a copy here. Then he goes on as follows:

—and the final argument (of which all members of the House of Commons have copies) has been sustained in the report of the commission.

I am very pleased to see that the royal commission has paid attention to the representations and the representatives of the government of British Columbia in respect of this question. Mr. Brazier goes on in his letter to say:

Without detracting in any way from the importance of volume 1 of the report, I would like to raise one or two points of concern. It is not clear what position the commission has taken with respect to the $20 million "rollback" subsidy provided for by the Freight Rates Reduction Act, except to indicate that the removal of certain public obligations will relieve the exposed shipper from some pressure for increases in rates.

I presume that the minister will, in his reply, deal with the query contained in that paragraph in respect of the $20 million rollback. The letter then goes on:

While I am of the opinion that subsidies of a general nature such as provided for by the Freight Rates Reduction Act should be made available to all modes of transportation, the legislation itself was a clear cut recognition of the plight of the "captive" railway shipper. It is quite natural that the fate of the "rollback" subsidy which is due to expire on April 30 is of great concern to the province of British Columbia. It is my opinion that this subsidy should be continued until alternative legislation is passed to serve the same function.

I should suggest also that this is of particular importance to the lumber industry of British Columbia and, on that account, we are very glad to see this legislation. Mr. Brazier then goes on to say:

Another problem of great interest to British Columbia and the Peace river district of Alberta is the application of subsidies to the Pacific Great Eastern Railway. Shippers on the P.G.E. have not shared directly in the Freight Rates Reduction Act and have thus been discriminated against in so far as normally rated traffic is concerned. Any reduction in rate due to competition with other railways has been absorbed by the P.G.E.

I should like the minister to comment in regard to that statement made by Mr. Brazier when the minister is concluding the debate on this resolution. Mr. Brazier then goes on to say:

It is important for me to point out that while the P.G.E. has no branch line problem it still has to maintain a passenger service and to move export grain at the low export rates. As the national railway plant is rationalized in line with the recommendations of the commission more grain will be shipped on the P.G.E. from Alberta as this will be the cheapest and shortest haul. I feel that this is a problem which deserves your close attention.

I should like the minister to comment on the points made in this letter when he concludes this debate.

[Mr. Herridge.]

I have one other matter to bring to the attention of the committee, Mr. Chairman, and on which to express my opinion. I refer to the responsibility of the railways so far as the general public is concerned. What I have in mind is the reduction of passenger service on the Kettle valley railway by the Canadian Pacific Railway Company to which reduction people in my constituency and in east Kootenay as well object very much. I cannot see why those people are denied this opportunity. They are not asking for very much. They are simply asking for daily service with the present Budd car plus a combination cafe and sleeping car so that persons who wish to take a berth or a bedroom when going to the coast or returning would have that opportunity and an opportunity to sleep in a decent and civilized manner.

I cannot see why the railroad divorces its freight earnings from its passenger earnings. That section of the railroad is very profitable to the Canadian Pacific Railway Company and yet they insist on this reduction of passenger service on the excuse that it does not pay. Perhaps the passenger service does not pay but the freight service certainly does and the people of my constituency, including chambers of commerce, trade unions, farm organizations and other people believe that the earnings of the railway, both freight and passenger, should be considered in the interests of the communities. In addition to that, the most profitable investment the Canadian Pacific Railway Company ever made, the Consolidated Mining and Smelting Company, is in this area. This is where it makes a considerable portion of its profits and yet the railroad insists on divorcing its railroad activities from its other activities. We are of the opinion they should all be considered together. Whatever the opinion may be in that respect, the people I represent, and I am speaking very largely for the population, believe that, in view of the freight earnings in the district, in view of the interest of the Canadian Pacific in the district, there should be at least a daily service from Vancouver to Lethbridge over the Kettle valley and a combination cafe and sleeping car attached to the present Budd car. This is not asking very much when one considers the wealth that is produced in that area and the profits that go to the Canadian Pacific as a result of industrial activity in that area.

In the present circumstances we believe that the company is not accepting its responsibilities to the area concerned. In view of the fact that this government under this legislation and other legislation, and indirectly the people of Canada, are subsidizing this and other operations of this company,

we do urge that the government do everything possible to see that this situation is remedied.

Mr. Badanai: Mr. Chairman, my purpose in rising to participate in this debate is to try to strike a blow for northwestern Ontario in its fight against freight rate discrimination. I cannot help but sound a note of disappointment at the government's failure to introduce this legislation sooner. We are led to believe that we are now on the last lap of this session, and if we are to end it around the end of June, then not much time remains to give proper consideration to matters of such great importance as our railways and freight rates.

The level of the freight rate structure brought about by the successive increases implemented during the post-war years has commanded increasing attention during the past year. The Freight Rates Reduction Act provided for a subsidy not exceeding $20 million for one year only, to reduce the burden of the 17 per cent increase in freight rates which the board authorized to become effective on December 1, 1958. On July 10, 1959, the board issued a further order substituting an increase of 10 per cent for the 17 per cent and directed that the adjusted rates be not increased for one year unless otherwise permitted by the board. At the time the legislation was passed the Prime Minister announced the appointment of a royal commission on transportation and the Minister of Transport stated that the government would not permit any further general increase in freight rates for an indefinite period, ostensibly pending the report of the royal commission.

I would imagine that the royal commission on transportation report of 92 pages has been and is being scrutinized by the government. It is an important report and one which requires many hours of close study because the recommendations contained therein are of such a nature that they could easily affect every facet of our economy. The report comprises 92 pages of technical data, and it includes also a minority report, mostly concerned with details of the Crowsnest rates on exports of grain. These Crowsnest rates are one of the biggest items within which a substantial area of disagreement may be found.

I am not at all sure that the continuation of these abnormally low rates, in the light of present day costs which are conservatively 10 times higher than they were when these rates were set, are justified. However, Mr. Chairman, I do not propose to develop an argument against them at this time. All I say is that this feature should be a matter deserving deep study.

There is the problem of regional freight rates, and the regional freight rates structures with respect to which some sections of the country, such as northwestern Ontario as an example, have borne the brunt of discrimination for years. This should be one of the first matters to be considered when freight rates adjustments are made. I think it should be one of the duties of the government to bring forth a recommendation which will end such rank discrimination once and for all.

At page 29 of the report there is reference to the limitation of regulations consistent with public interest and fair treatment in all ways to all carriers.

At page 71 of the same report there is a statement on increases of rates to the effect that no one can or should guarantee that the revenue of any competitive business will be adequate. This is just as true of competitive transportation as of any other business.

Incidentally, the predecessor of the present Minister of Transport as reported at page 2208 of *Hansard* of 1959 had this to say in answer to a question:

> Consideration will then be given to means of further relieving the unfair discriminatory burden of the freight rate structure. In the meantime the government does not propose to permit any further general increase in railway freight rates.

In that statement he definitely said that discrimination would be done away with and that a new era would come upon us so far as railway freight rates are concerned. The royal commission report has now been in the hands of the government for several months and we are awaiting the results of its study.

Mr. Balcer: On a point of order, the report has not been in the hands of the government for many months. I would not like hon. members to be under that impression. We just received it.

Mr. Chevrier: It has certainly been there for weeks.

Mr. Fulton: There is quite a difference, is there not?

Mr. Pickersgill: More than a month, anyway.

An hon. Member: The usual state of Liberal accuracy.

Mr. Hellyer: It would not make any difference to this government.

Mr. Pickersgill: The Prime Minister promised it would be there before the 31st of March.

Mr. Balcer: It was a free commission. It was not run by the government.

Mr. Badanai: I accept the minister's correction. If he says it is only several weeks I will accept his statement. I was under the

impression it was longer. However, I may be wrong. In any event, we are now waiting for the results, what the government will recommend and what it will not. In the meantime, and ever since the appointment of the commission over a year ago, freight rates have been in a freeze.

On numerous occasions, and more recently when the case of northwestern Ontario for more equitable rates based on common sense was presented to the royal commission sitting in the court house of the city of Port Arthur, we have pointed out that increases amounting to 157 per cent have been awarded the railways during the past 11 years and the result in high cost of freight has meant the loss of business and the discouragement of business in this area of Ontario. For the benefit of those who wonder why one section of Ontario protests high freight rates that are accepted in another section of the province of Ontario, the reason is that southern Ontario does not have to pay for the long haul around the great lakes. In this respect northwestern Ontario's position is more comparable with that of the prairie provinces where virtually all freight is long haul business.

Mr. Neil Edmenstone, vice president of Steep Rock iron mines, speaking before a chamber of commerce meeting at Fort William on March 22, 1961, had this to say:

> We need freight rates that make economic sense to this area which will permit us to thrive and compete while permitting the railways to do the same. If the railways won't do it, then the government must act to do it. There are policies being mooted which would stop dead in its tracks the biggest development northwestern Ontario has ever had or may have for a long time to come.

The Prime Minister, speaking at Fredericton last December, made the statement that the government was against the railroads meeting union wage demands by increasing freight rates, and he went on to say:

> We acted in the continuation of the operations of the railways without unfairness or injustice. Additional time was provided by the government's action to enable the royal commission to bring about equalization of opportunity everywhere in Canada.

Further on he added this significant statement:

> To have allowed the railways to increase freight rates on a horizontal basis would have been to increase discrimination rates that now exist which deny the Atlantic provinces the possibility of expansion.

That is precisely the problem of northwestern Ontario. The situation there parallels that of the maritimes. I wish to cite several examples to show how this discrimination works to the detriment not only of the manufacturers but also the consumers. On a 30,000-pound car of canned foods from Chatham, Ontario, winter freight rates are as follows and, incidentally, they do not include heating charges: Chatham to Marathon or Geraldton, a distance of 783 miles, $1.57 per 100 pounds. The distance from Chatham to Fort William or Porth Arthur is 981 miles and the rate is $1.57 per 100 pounds. From Chatham to Atikokan, Ontario, the distance is 1,056 miles and the rate is $1.90 per 100 pounds. From Chatham to Winnipeg the distance is 1,400 miles and the rate is $1.65 per 100 pounds. You will notice the difference there. From Chatham to Atikokan the charge is $1.90 per 100 pounds for a distance of 1,056 miles and from Chatham to Winnipeg, a distance of 1,400 miles, or 344 miles farther, the rate is $1.65, which is much lower on a longer haul.

From Chatham to Regina, a distance of 1,756 miles, the rate is $3.01 per 100 pounds. From Chatham to Vancouver, a distance of 2,864 miles, the rate is $1.80 per 100 pounds. In other words, it costs less to send 100 pounds of canned goods from Chatham, Ontario, to Vancouver than it does to send 100 pounds of the same canned goods from Chatham to Atikokan although the mileage in the latter case is only a little more than one third.

If cars of canned goods roll to the lakehead for distribution and are hauled back to Geraldton or Marathon there is a further charge of $1.37 per 100 pounds for this 200-mile haul. This means that it actually costs 85 cents to freight one case of 24-15 ounce tins weighing 29 pounds from the canning plant to Marathon or Geraldton and this 85 cents represents a further cost of 32 per cent.

To take another example, one case of corn containing 24-15 ounce tins and costing $2.60 f.o.b. factory would cost $3.45 per case f.o.b. Geraldton or Marathon. Whereas a retailer will sell this corn in Chatham to the consuming public at two tins for 27 cents his counterpart in Marathon or Geraldton 783 miles away would of necessity have to sell it at two tins for 35 cents. These examples, and I could cite others, will suffice to indicate the discrepancies in these rates. These examples only show the vicious impact on the cost of living in northwestern Ontario which by no stretch of the imagination can be condoned any longer. The freight rate on a basic commodity such as wheat, which is subject to world market competition, could not be related in any way to the domestic market. Internal freight rates agreements should be made to enable the transportation companies to assess their rightful tariff, and then every section of Canada will carry its proper share of the load. The establishment of a fair freight rate structure for northwestern Ontario in general, and the lakehead area in

particular, is the key to the development and prosperity of this often forgotten but very important section of the province of Ontario.

This committee will recall, Mr. Chairman, the removal to Montreal of the passenger bus manufacturing facilities from the Canadian Car plant at Fort William. This was not caused by competition from General Motors, as was suggested by the hon. member for Port Arthur a few weeks ago but rather came about because of freight rate inequalities. We do not yet have the advantage of numerous adequate highways which would allow many of our important industries to obtain competitive rates. In addition, there are not too many examples of agreed rates in this territory. Horizontal freight rate increases have a harsher effect upon northwestern Ontario than is generally the case in many other parts of Canada. These conditions have meant that our small businesses, forced to use class rates extensively, bear an increasingly large percentage of the burden. Our people also bear this burden because everyone, directly or indirectly, pays freight rates which often amount to more annually than one's tax bill. We know two things about our present economy. It is distinguished by higher than average costs and higher than average unemployment. Each of these aspects is related, and both are related to high freight costs.

The rate structure as a whole is very sensitive to changes, and often a seemingly realistic adjustment can boomerang in the most unexpected place and manner. For example, the removal of the mountain differential looked good to British Columbia. However, it resulted in the cancellation of some reasonable commodity rates on British Columbia lumber to the Canadian lakehead, and raised that rate by 19 cents per 100 pounds. This was the start of conditions about which our industry has complained so bitterly. Our lumber and wood operators believe they can prove that the present rate structure is out of line with the development of their businesses and the development of the community.

The lakehead cities of Fort William and Port Arthur are situated in what has come to be called northwestern Ontario. In terms of railway mileage, these cities are 419 miles from Winnipeg, 551 miles from Sudbury and 810 miles from Toronto. This huge region, over 225,000 square miles in area, is crossed by the transcontinental line of Canadian National in its north centre, by the Canadian Pacific in its south centre, and by a line of Canadian National along its southern edge west of the lakehead. In freight rate terms, the western region begins at Fort William and at Armstrong to the north on the Canadian National. Traditionally the lakehead cities have been the gateway to the west. Aside from this transportation aspect of our economy, the region's main industries and activities centre on the forests and the mines. The products are largely pulpwood, lumber, plywood, paper and poles, iron ore and base metals. Northwestern Ontario's case relating to freight rates stems from the effects of horizontal increases since 1948. These increases, as I have already pointed out, have amounted to 157 per cent. The cumulative effect of these increases has worked to the marked disadvantage of our territory where long distances make for high freight costs, inordinately increased by the percentage basis.

We are submitting to the government the importance of adjustments in these rates. As I have pointed out, this region has been more or less neglected for the past several years. I trust that the minister will have some answers to these questions when he sums up at the end of this debate, and that he will give some thought to the case of northwestern Ontario, a region which I am representing here at least in part because my own constituency is largely dependent upon industries which are seriously affected by freight rates.

Mr. Pickersgill: Mr. Chairman, I do not intend to repeat the points that have already been made by the hon. member for Laurier and the Leader of the Opposition. I do intend, in somewhat different language and for the sake of emphasis, to repeat a point that was made by the hon. member for Grand Falls-White Bay-Labrador.

First, I want to say something directly about the measure that is before us in view of the interjections that were made by the Minister of Labour and the Minister of Transport earlier this afternoon. The government did not see fit to bring the measure before parliament before it came into effect. These ministers say that what we are being asked to vote now, this $20 million for the year beginning May 1, is not a subsidy to support wages. This, of course, is just a fiction. Everybody knows that the 17 per cent freight rate increase was made in 1958 to meet the increase in wages. Everybody knows that the government allowed the 17 per cent increase to come into effect, and then decided that the shippers would pay part of it and the taxpayers would pay the rest of it. This is what happened. If one calls that a subsidy for some purpose other than for wages, one is just playing with words. It is true it is not a direct subsidy for wages but it is subsidy which is paid because wages went up. In consequence of wages going up, the board of transport commissioners allowed freight rates to

go up horizontally, notwithstanding the fact the Prime Minister promised in 1957 that we would have no more horizontal increases if the people voted for him. This was just another of those promises about which we have heard so much, but not recently, and about which hon. gentlemen opposite hate to be reminded.

The fact of the matter is that we should call a spade a spade. The government should not pretend things are not what they are because the government is not fooling anybody. This $20 million is a straight subsidy resulting from a freight rate increase which resulted from a wage increase. In other words, it is a subsidy for a wage increase. Why it was all right to provide a subsidy in respect of this matter, and why it became suddenly so wicked last November and December, it is rather difficult for people whose minds move reasonably logically to understand.

Having said that, Mr. Chairman, may I say that I think we also ought to remember that this legislation has been brought in because of another promise which was made by the Prime Minister and which he was unable or unwilling to keep. As the Leader of the Opposition pointed out following the hon. member for Laurier, the Prime Minister last November promised that a solution of this problem would be found; he promised that there would be no wage subsidy and that a solution would be found by the MacPherson commission which would enable the railway labour dispute which could not be settled last December, to be settled before May 15. The Prime Minister also promised that he would bring in legislation to create conditions that would make that settlement possible. There has been no legislation. There has been no change whatsoever from the situation with which we were faced last November and December.

An hon. Member: The strike has been settled.

Mr. Pickersgill: There never was a strike. I might say to the hon. gentleman that there never was a strike to settle. Last November the government brought in legislation to compel the men to go on working. That is why there was not a strike last December. There has not been a strike this May because the railways decided in May to accept the precise terms which the Liberal party in November said it would recommend, namely the recommendations of the Milvain report.

Mr. Balcer: And compulsory arbitration.

Mr. Pickersgill: If nothing else was changed, and if no solution was offered by the MacPherson report, why were the railways able to accede in May of this year—as the Leader of the Opposition asked a few moments ago —to what they said it was impossible to accede to last December? The Prime Minister told us in December about a solution which was up Mr. MacPherson's sleeve but which would be down by March 31. When Mr. MacPherson about the middle of April produced his report there was no solution and there has been no legislation. Yet the railway labour dispute was settled, as I say, on the basis recommended by the official opposition last November. It was settled precisely on that basis, namely on the basis of the Milvain report.

I could believe that Mr. Gordon was ordered to do that because, after all, Mr. Gordon is an employee of the government of Canada. They can give him orders and he must either accept those orders or resign; that is if he has anything to resign about at the moment, a matter which seems to be in some doubt. However, I do not think the government can give orders to Mr. Crump; at least I would be rather surprised if they can do so. Therefore any reasonable person will assume, as I do, that they gave Mr. Crump something else than an order. I think they gave him an assurance that certain things would be done.

Mr. Balcer: Things are done in a straightforward way today, not by any back door method as was the situation when the Liberals were in power. There is no under the table deal.

Mr. Pickersgill: I am going to deal with that matter. Let the hon. gentleman wait a moment. I am going to reach that matter.

Mr. Fulton: The hon. member is making insulting innuendos.

Mr. Pickersgill: I am not making insulting innuendos at all. I am putting on the record what has been said about this matter. On May 5, as found at page 4401 of *Hansard*, I asked the Prime Minister this question:

> Could I ask the Prime Minister to give an assurance that no prior undertaking of any description was given to the railway company before the settlement was reached yesterday?

Here is the Prime Minister's reply given in that courteous manner which so endears him to the house and to the country:

> Mr. Diefenbaker: I say with the greatest joviality to the hon. gentleman that the experiences he used to have when he was a member of the government of a former day are not being repeated by this government.

I can tell you the experiences I had with Mr. St. Laurent. Mr. St. Laurent did not use double talk like that. When you asked Mr. St. Laurent a question, he gave a courteous and straightforward answer to it and he did not reflect on his predecessors who were no longer

in the house. The plain fact is that if Mr. St. Laurent had been asked a question like that in this house he would have said yes or no. We can only assume that the reason the Prime Minister did not say yes or no was that he was not willing to tell us what the arrangement was and yet he did not want to say there was no arrangement as there is an arrangement. That is the only inference one can draw from this kind of answer. Then I went on to ask this question:

I wonder if the Prime Minister could not now give a categorical answer to a simple, straightforward question.

Once more there was the usual courteous reply by the Prime Minister: silence.

Mr. Fulton: Where is the inference?

Mr. Pickersgill: Where is what inference?

Mr. Fulton: The inference you have drawn.

Mr. Pickersgill: The inference I have drawn is that an assurance was given to the Canadian Pacific Railway.

Mr. Fulton: Where in the answer is there any justification for that inference?

Mr. Pickersgill: Since the minister is asking the question, may I say this. In my view, if there were no such assurance the Prime Minister would say simply and in a straightforward manner, "There was no such assurance". Because he obviously evaded the question and because the railways have said they cannot find the money themselves, I think we are entitled to assume that they had such an assurance, either expressed or implied. If there is any respect for parliament in this government which professes to have so much respect for it, I think parliament should be told what that assurance was.

Parliament was told by the Prime Minister in the most categorical fashion last November and December that the royal commission was going to provide a solution to this problem. To my simple way of looking at it, the royal commission has provided no solution to this problem. If it has done so, will the government please tell us now what that solution is? Earlier, in reply to my hon. friend from Laurier, the Minister of Transport said that the subsidies which have been recommended by Mr. MacPherson's commission were not for the purpose of subsidizing wages. That is quite true. But if the government should, in its wisdom, some time before the end of this session bring in legislation or an item in the estimates in order to provide some of these subsidies, there is nothing to prevent the railways from using them, not for the purpose Mr. MacPherson recommended but, as my hon. friend from Laurier said, in order to meet this deficiency in revenue because of the increased wage rates. But at least parliament ought to be told what we are being asked to do and why we are being asked to do it.

If the government are going to bring in legislation to give a further subsidy to the railways, why could it not have been done today? Why could it not have been brought in with this measure instead of bringing two measures before the house? Why could we not have dealt with the whole problem at once? Is it because the government, as usual, do not know what on earth to do about the problem or is it because they wish to wait until the last day of the session, as they have done with many another controversial thing in every session since 1958, in the hope that they can get it through without much scrutiny and without much debate? I say, Mr. Chairman, that to bring in this stopgap measure that was brought in in 1959 and again last year—a stopgap measure that was to last only until the MacPherson commission had made its report—and now to bring it in again, and at the same time to refuse to tell the house and the country what their plans are is conduct that I do not understand. If the government have no respect for the house, surely they have some respect for the country. Surely we are entitled to know, as the representatives of the people, what the government's plans are for dealing with this urgent, grave and difficult problem.

I want to say a word, and just a word, about the measure as it affects another promise made by this government, the promise my hon. friend from Grand Falls-White Bay-Labrador read to the committee earlier. Of course, this was in that high noon of promises in May of 1957. These are the promises that hon. gentlemen opposite would like to forget; they hate to have them mentioned.

Mr. Fulton: Not at all. We have fulfilled most of them.

Mr. Pickersgill: These are the famous Atlantic resolutions—

An hon. Member: We have to leave something for you to talk about.

Mr. Pickersgill: —which, as my hon. friend from Grand Falls-White Bay-Labrador said, are edged in black and blue and are badly bruised.

Mr. Fulton: It was you that was badly bruised; you forget that.

Mr. Pickersgill: The hon. gentleman sounds more aggrieved than I do at the moment. For one who is supposed to have been bruised, I would stack up my cheerfulness against his any day.

Some hon. Members: Oh, oh.

Mr. Chevrier: Thistledown.

Mr. Pickersgill: When I have your attention again, sir; when you can afford to give me your attention again, sir—

Mr. Ricard: When the hon. member for Laurier stops making noises.

The Chairman: I would inform the hon. member that I have not missed a word he has said.

Mr. Pickersgill: I was not suggesting any reflection on Your Honour. I was suggesting Your Honour's attention was being distracted by hon. members opposite.

Some hon. Members: Oh, oh.

The Chairman: Order.

Mr. Pickersgill: I come back to this solemn pledge which hon. gentlemen opposite are very anxious not to have me read:

> We are committed to the original pledge given to our people at the time of confederation that freight rates would be adjusted—

I emphasize those words "that freight rates would be adjusted":

> —and transportation facilities would be provided so that our geographic position would not prejudice our producers having reasonable access to the markets of Canada.

I admit that the word "adjusted" is an equivocal word. I do not know whether it was deliberately put there to give hon. gentlemen an out; but I suggest that everybody in the Atlantic provinces who read that thought that if freight rates were going to be adjusted, they were not going to be adjusted upward. I think they were intended to believe, and they did believe—if they believed it at all; and I am afraid a lot of them did—that this meant freight rates were going to go down.

Mr. MacInnis: It still makes better reading than something you could not get across. Walter Gordon stopped you.

Mr. Pickersgill: The hon. gentleman from Cape Breton South is erupting. When his eruption is over, sir, I will continue. It will be recalled that one of the last acts of the previous government was to increase the advantages to the Atlantic provinces under the Maritime Freight Rates Act.

I would also point out that the only action taken by the present government with respect to freight rate adjustments has been to increase freight rates, and to increase them horizontally. That increase is still being continued by the present government, not at the full level recommended by the board of transport commissioners but at something about half that level, and the taxpayers are paying the rest.

Mr. Browne (Vancouver-Kingsway): Mr. Chairman, I had not intended to make any remarks on this particular item because I think my views as to subsidizing the railroads are well known. However, after the outrageous anti-labour speech that has been made by the hon. member for Bonavista-Twillingate I think I must make a few remarks.

Mr. Pickersgill: Anti-labour?

Mr. Browne (Vancouver-Kingsway): Of course, it is not surprising, knowing his affinity with the premier of Newfoundland and his regard for labour, that the hon. member's attitude should be such as it is. However, I was absolutely amazed to hear him attribute all the ills of the railroads and our transportation system to the employees of the railroads.

The hon. member says it does not matter how you disguise it; it does not matter what you want to do for the railroads in the form of a subsidy, it is entirely the fault of the railroad employees and nobody else. It does not make any difference that they might have been operating passenger services that are uneconomical; it does not make any difference that they might be hauling grain below what it costs them to do it; it does not make any difference that they might be forced to operate uneconomical branch lines; the hon. member says that if a penny is paid to the railroads it is the fault of labour and nobody else. He says that every ill of the railroads is the fault of the employees.

I am absolutely surprised to hear a statement like that, not only from the hon. member for Bonavista-Twillingate but it has been implied all the way through by his colleague, the hon. member for Laurier, only the hon. member got up and put it a little more clearly than he did. I suppose a lot of it stems from their great disappointment that the rail strike was settled in the first place.

Mr. Chevrier: It was settled on the basis we recommended.

Mr. Browne (Vancouver-Kingsway): Oh, Mr. Chairman, the basis that was recommended by the opposition and the hon. member for Laurier was compulsory arbitration—

Mr. Chevrier: It was not.

Mr. Browne (Vancouver-Kingsway): —which is something this government has been opposed to, and labour has been opposed to, throughout the years.

Mr. Pickersgill: Yours was compulsion without arbitration.

Mr. Browne (Vancouver-Kingsway): I am sure the employees of the railroads will be pretty well pleased to have the promise of the Prime Minister that their rates will be back dated to January 1, 1960. They will not lose a cent of pay, which they would have lost had they gone on strike. I do not think there will be any complaint from these employees, and as one hon. member of this house I can say I have heard very little complaint from railway employees since then.

If this government had taken the course of compulsory arbitration suggested by the Liberal party I am sure it would have taken away for all time the rights of the employees on the railroads to strike. We must remember that when the Liberal party was in power in 1950 this was their solution to the thing, to propose compulsory arbitration notwithstanding the fact that labour was entirely opposed to it.

Had the present government taken that course suggested by the opposition, compulsory arbitration would have been established for any dispute on the railways. There can be no doubt that had that happened there would have been the same suggestion on the part of the Liberal party to impose compulsory arbitration when any other serious labour dispute came about.

I am not going to deal any further with this particular subsidy except to say that I am concerned about it being continued again. I pointed out to the house when it was first instituted that subsides are very difficult to discontinue once they are started. This is now the third time that we are dealing with this particular question. I think the concern I had at that time has been shown to be not unfounded.

However, I realize the position the government is in through having just received the report of the royal commission on transportation, and having received only the first volume of that report. It was suggested by one hon. member of the opposition that the government has had this report for months and had done nothing about it. Then the suggestion got down to weeks, and it finally turns out to be less than a month that the government has had this first volume in their hands, and they have only the first volume of the report.

When we consider the actions of hon. members of the Liberal party when they were in office, they show a great deal more concern now for the passage of time than they did at that time. A difficult question such as this cannot be resolved in the space of a few weeks. I can only come to the conclusion that most of the concern of hon. members of the opposition was caused by the fact that the railway strike was settled.

Mr. Pickersgill: Mr. Chairman, I did not wish to interrupt the hon. gentleman, but of course he made statements about what I had said that were so out of accord with the facts that it is very hard to believe the hon. gentleman was even listening to what I had to say.

I said—and I want to repeat it—that the subsidy we are now being asked to vote is a subsidy which has been historically and as a matter of fact occasioned by an increase in railway rates, which in turn was given to the railways to meet an increase in wages in 1958. I do not think those facts are in any dispute anywhere, and this parliament—

Mr. Browne (Vancouver-Kingsway): That is what you say.

Mr. Pickersgill: I did not interrupt the hon. gentleman; perhaps he would allow me to make my correction. This parliament has decided twice, and is now being asked to decide a third time, that part of that increase in freight rates to pay those increased wages should be paid out of the treasury of Canada.

I suggest to call that what it is, is what we ought to do here. We should tell the truth about what we are doing and not pretend it is something different from what it is. If that is an attack on labour then I am afraid I have made an attack on labour. However, I should remind that hon. gentleman that last December, when he voted to compel these men to go back to work at the old wages, the Liberal party protested because we on this side felt those employees were entitled to the increase in wages recommended by Judge Milvain. I do not think the hon. gentleman will confuse the people concerned by his distortion of the facts.

Mr. Balcer: Mr. Chairman, we have heard some very interesting statements this afternoon in respect of this proposed legislation, especially those made by the hon. member for Vancouver East. Some hon. members raised some very interesting points, and the official opposition have taken an air of great offence to the fact that we are bringing this legislation in at the present time. Before I deal with the resolution itself, I should like to be fair and set the record straight by calling this committee's attention to some figures, about which we heard, a few minutes ago, from the hon. member for Bonavista-Twillingate. He suggested that the present government was responsible for increases in freight rates and that this government was not the friend of the people of Canada on this account.

Mr. Pickersgill: I did not say that. I just said there were increases in freight rates.

Mr. Balcer: Yes, and you made a big thing of it. I should just like to present certain figures, at this time, which I am not pulling out of a hat, in respect of those figures quoted this afternoon. I suggest by looking at the varying proportions regarding freight rate increases we will then have a clearer picture in respect of which government is more concerned with the welfare of Canadian citizens as far as freight rates are concerned.

Since 1945 freight rates have increased by 157 per cent. One hundred and forty per cent of this increase occurred during the time my hon. friend was a minister under the Liberal regime. During the Conservative administration—that is during the last four years—the only increase which has been allowed was to the extent of 10 per cent, which was later reduced to 8 per cent. In other words, the total increase of 17½ per cent was originally decreased to 10 per cent, and then to 8 per cent. The government has also frozen all increases; this policy is still in effect. I suggest that this government has shown the people of Canada what it thought of the great burden of freight rates in various parts of the country. This government has looked into the matter seriously and has gone out of its way in an attempt to help the shippers of various regions of Canada, who have had to face these freight rate increases.

Mr. Chevrier: Mr. Chairman, would the minister place on the record, in the same manner as he has done in respect of the previous administration, the amount of increase imposed under the Conservative regime which preceded the Liberal government?

Mr. Chambers: Why not go back to the Sir John A. Macdonald regime?

Mr. Pickersgill: That would not be any more irrelevant than what the minister has done.

Mr. Balcer: I do not have the figures at hand.

Mr. Chevrier: Oh, but you could get them quite easily.

Mr. Fulton: We are talking about a floor to prevent rates from going up.

Mr. Balcer: Yes.

An hon. Member: He is just drawing a red herring.

Mr. Chevrier: Surely this is a bright red herring.

Mr. Balcer: Mr. Chairman, I must say that I am very impressed by the difference between 147 per cent and 10 per cent.

[Mr. Balcer.]

The hon. member for Laurier made a great fuss this afternoon about the fact that this amendment was being brought forward after April 30, and that the house was taken by surprise. He seemed to be suggesting that there was some kind of plot involved. I should like to remind the committee that the hon. member asked me a question, and I am sure he remembers it very well, prior to April 30, to which I replied that legislation was to be brought in to take care of the few days existing between April 30 and the time approval was given to this bill. I remember also being asked what was to happen in respect of the new rate which was filed by the railways, and I told the house that both railway presidents had written to me stating that these freight rates would not be applied. I would suggest, therefore, that not one single Canadian will have suffered any harm, in any way, shape or form as a result of this legislation being brought in at the present time. I should also suggest that the resolution was placed on the order paper before April 30, so no one was taken by surprise.

We wanted to act in a fashion which would permit both labour and management complete freedom to discuss these problems in an attempt to settle them in a manner that would be in accordance with the collective bargaining traditions of this government. We were very pleased to find that we did not have to impose any compulsory arbitration measures on one side or the other, because management and labour had come to an agreement. It has been suggested here this afternoon that the official opposition was disappointed because of that sudden settlement, however, I must say that we on this side quite freely admit that we are extremely pleased, and suggest that the rest of the people of Canada are extremely pleased, that the strike did not take place.

Mr. Fulton: Because of the efforts of the minister.

Mr. Balcer: The Minister of Labour.

We have also this afternoon heard many expressions of criticism of the fact that the first report of the royal commission on transportation has been tabled now for one or two weeks, and that the government has as yet not introduced any legislation to implement the recommendations contained in that report. I suggest that my hon. friends opposite know very well that recommendations contained in reports of royal commissions are not dealt with in a matter of two or three days. This report is an extremely important one to be followed and complemented by two further volumes. Having read the first volume I feel that volume II will have a great impact on transportation in Canada.

Earlier in the afternoon, the hon. members for Fort William and Bonavista-Twillingate, as well as some others, referred to the problems which face the shippers in various regions of this country. As indicated by volume I of the MacPherson report, volume II will deal with the burden of freight rates on a comparison basis, as they affect different sections of the country. It is also the intention of the commission to include in volume II of its report recommendations concerning special transportation problems. I think it will be extremely important to see the two further volumes of the report of the royal commission on transportation.

My friend the hon. member for Bonavista-Twillingate, in his unique fashion, this afternoon tried to build up a great plot on the part of the Prime Minister in his dealings with the railways' presidents. Maybe that is what happened a few years ago, but that is not the way things are done now. What happened is that the management of the railways and labour got together and discussed their problem, after the first volume of the royal commission report on transportation had been tabled. I remember the Prime Minister stating in November that the report of the royal commission on transportation would have quite a bearing on any discussion between the railways and labour. Of course, I am convinced that the report must have had quite a bearing on their discussion. We could tell by the opinions expressed both by Mr. Crump and Mr. Gordon, when the first volume of the report was published, that they were impressed by the first volume of the report. They expressed their satisfaction with many aspects of the report, and I am quite sure that it must have been one of the big factors in the railways deciding to meet the majority recommendation of the Milvain report. Of course, it was a decision taken freely by the presidents, by Mr. Hall and by the other labour leaders who signed the settlement agreement on behalf of the two parties.

Mr. O'Hurley: I say to the hon. member for Bonavista-Twillingate that things have changed.

Mr. Pickersgill: They have.

Mr. Balcer: This afternoon my friends on the opposition side of the house have talked quite a bit about various undertakings that the Prime Minister gave during the last two election campaigns. It is a fact that the Prime Minister has dealt quite extensively with this problem of transportation and the inequities that were existing in Canada at that time and between regions, between types of transportation and between commodities and classes of goods of that kind. The Prime Minister promised that his government would do something about this and that is why we appointed the royal commission to deal precisely with those injustices and anomalies and to make sure that Canadians from one end of the country to the other would be receiving the same treatment as far as freight rates and railway transportation are concerned.

The royal commission has produced its first report and the government of course is considering the first volume. It contains extremely interesting recommendations concerning aspects of the railway problem and the government is of course giving considerable study to the first volume of the report.

Since the report has been tabled the Prime Minister, in answering questions raised by my hon. friends, has said that we can expect interim legislation to be brought forward which will be based on certain parts of the MacPherson report. The government will certainly take into consideration the study made by the commissioners and of the principle expressed by them but, of course, before adopting any part of the report the government wishes to give it the most careful consideration and also wishes to consider its impact on Canada as a whole and on the taxpayers as a whole. We wish to do something which will not be just a stopgap, which will not be just a palliative, but something which will help railway transportation in Canada in the years ahead, and I do not think there is any government so well qualified to do it as the present one.

Mr. Chevrier: Before we dispose of this matter I wonder whether the minister would reply to a few questions, which I think is customary on an occasion such as this. The minister has made it quite clear that it will take some time to implement the recommendations of the royal commission. One of the questions I should like to ask him is this. Does the minister intend to bring in legislation this session implementing the recommendations contained in the first volume of the MacPherson report?

Mr. Balcer: I think I have just covered that point. This point was covered by the Prime Minister. He said that the house could expect interim legislation based on the report, and that will implement—

Mr. Chevrier: This session?

Mr. Balcer: It was quite possible, but it has to be announced in the house at the proper time. I have not the actual quotation of the Prime Minister right here, but at the present time the government is considering this report and we intend to bring in interim

legislation or at least legislation based on the MacPherson report, even if it does not implement the whole report.

Mr. Chevrier: I understand, and I thank the minister for the answer. Will it be legislation by an item in the estimates, as is being done in the case of the shipping policy, or will it be legislation in the nature of the resolution which is now before us?

Mr. Balcer: I do not know. The government has not made its decision known, but when it has the house will know at the proper time.

Mr. Chevrier: The minister was asked one question to which he has not replied, and it had to do with the manner in which the settlement of the railway dispute will be implemented. Will it be by way of a subsidy introduced in the house or how will it be done?

Mr. Balcer: We have nothing to do with this, Mr. Chairman. As I said earlier, both sides decided freely to settle this dispute. The railways probably came to the conclusion that it was the best deal they could make and so did labour. Therefore, they came to a settlement together, but there was no question of the government giving them a subsidy to meet their wage bills.

Mr. Winch: That is the point I want to make.

Mr. Chevrier: May I just follow up with one more question and then I will yield. It follows from the answer which the minister has given that there is no intention on the part of the government to introduce legislation, including a subsidy to the railways, which will allow them to implement the settlement which was made to prevent a strike?

Mr. Balcer: I think the hon. member is rather twisting my words. If the railways decide that our legislation or our action improves their position to the point where they are better off and it is easier for them to pay their wage bills, that is up to the railways. But we have no intention of bringing in legislation to meet the wage bill of this last strike settlement. As a government we have no intention of doing that.

Mr. Winch: Mr. Chairman, I have listened with interest to the minister during the last hour, and all that he has said does not make sense, and especially is that true of what he said in the last five minutes. Here is the situation. For 14 months the "non-ops" had been in negotiation with the C.N.R. and the C.P.R. and they could get no agreement whatsoever. They were prepared to settle for 14 cents but asked for 25, but they could get no satisfaction whatsoever from the Canadian National and the Canadian Pacific. They could get no satisfaction from the railways, so right in the last hours the government brought in legislation not to give the "non-ops" any increase but to prevent a strike. The men carried on for a period of six months during which they could not strike. We read reports in the newspapers about what was supposed to be going on but we could get no answer from the Prime Minister or the government side as to what was taking place.

However, again in the last few hours the C.P.R. and the C.N.R. accepted exactly what the union had agreed to seven months ago and which the government would not give them by legislation. The minister is saying now that in the last 24 hours before the settlement the C.N.R. and the C.P.R. had no indication from or understanding with the government of Canada. I am going to say that this is the most extraordinary situation I have known in my 30 years in the trade union movement. What miracle happened? What happened before the bill was introduced last December and what has happened now?

I am going to be very blunt about the matter. Having in mind what happened last December after 14 months of negotiation and what has happened now, I believe that there must have been some kind of direction or indication by or promise from the government. I should like to ask the minister to give the committee certain very important information. From the time the government froze freight rates by order in council, can th minister tell us what the C.N.R. and the C.P.R. maintain their losses have been because of the freeze on freight rates? What has been the cost to the government of subsidies for freight rates and for payments because of increases in wages since that time?

I will put it this way. Since the government has been in office what has been the loss that the government has incurred under legislation or order in council by reason of subsidies to offset the freezing of freight rates and to take care of increases in wages, and what is the position of the government now with regard to subsidies declared or yet to be declared for the railways of Canada? I have an idea, and I mean this, that we are not being given the entire picture at this time. We agree with the minister that nobody wanted a strike. We all support anything that will prevent a strike, but I say to the minister quite bluntly that we have not got the picture yet but we are going to get it. I say that more money is going to be asked for by the government either by way of a subsidy on freight rates or a subsidy

for wages. I ask the minister now to tell us what has gone on since the Conservative government took office and what he anticipates the government will be requesting the House of Commons to pay the railways of Canada either directly or indirectly.

Mr. Balcer: Mr. Chairman, in answer to the first question raised by the hon. member, I simply wish to repeat that labour and management settled the dispute of their own free will. With respect to any indication of a wage subsidy or what have you, no statement of any kind has been made by the government. I am not as surprised as the hon. member is at the decision of the railways to change their stand at the last hour. It has happened before, and I am afraid I have no information as to what was behind their decision. They have taken the decision of their own free will. It has been suggested to me from other sources that it must have been because of the reaction to the first volume of the report of the royal commission on transportation. I think that makes a lot of sense but neither Mr. Crump nor Mr. Gordon has told me and I do not think they have told anyone. I think this is strictly a matter of a settlement that has been arrived at by free collective bargaining, and I do not see anything so extraordinary about that.

Mr. Winch: Will the minister say now that the change in attitude by the two railways was not in any way brought about because of any commitment given by the government?

Mr. Balcer: No. I do not know of any commitments. I said that earlier and I think that should have cleared the situation as far as hon. members are concerned. The hon. member has also asked me for various amounts with regard to subsidies and freight rate increases. These are all figures that he will be in a very good position to obtain as soon as the bill is sent to the committee. I do not have these figures in front of me but I am quite sure he can ask for them in the committee.

Mr. Chevrier: I do not think the minister gave a categorical negative answer to the hon. member for Vancouver East in connection with a commitment, and I repeat the question. I think the minister should indicate to this committee categorically whether or not a commitment was given by the government of Canada to the Canadian National Railways or to the Canadian Pacific Railway that the implementation of a certain part of the recommendations contained in volume I of the report of the royal commission on transportation would be brought in this session and that the railways could, if they so desired, use that money which was earmarked for specific purposes to meet the position brought about by the settlement of the strike.

Mr. Balcer: Again, Mr. Chairman, I should like to refer my hon. friend to the statement that was made in the house by the Prime Minister who stated very clearly, I think, what the intention of the government was with respect to the implementation of the MacPherson report. On May 5 the Prime Minister was asked this question by the hon. member for Laurier as reported at page 4399 of *Hansard*:

> May I ask the Prime Minister or the Minister of Labour whether any arrangement has been made between the government and the railways in connection with the funds with which these increases will be met?

The Prime Minister's reply was as follows:

> Mr. Speaker, when the government is in a position to do so it will bring before the house, as I have already pointed out, such legislation as may be acceptable to the government in conformity with some parts, not all, of the recommendations made by the MacPherson commission.

I have nothing to add to that statement.

Mr. Chevrier: That was not my question, Mr. Chairman, and I am not going to pursue it unduly. However, I thought from the answer which the minister made to the hon. member for Vancouver East—if I am wrong in this impression I hope the minister will correct me—that he said, categorically no, the railways had been given no undertaking, that out of the moneys coming from the implementation of the recommendations of the MacPherson report they could settle the dispute.

Mr. Balcer: I want this to be very clear. There was no undertaking on the part of the government so far as the wage settlement was concerned.

Mr. Winch: The minister says there was no undertaking given by the government so far as the wage settlement was concerned. Will the minister now tell the committee what was the arrangement that was made between the government, the Canadian National and the Canadian Pacific which, after 14 months during which the railways rejected—

Mr. Balcer: There was nothing other than what has been said in the house during this session. That is all. I have just read what the Prime Minister has said so far as the recommendations of the MacPherson commission are concerned. So far as the question just asked by my friend is concerned, there was nothing else but what has been stated in the house.

Mr. Winch: I may be naive but I hope I am not that naive after all these years. I am sorry, Mr. Chairman, if I have to continue this discussion. I just cannot be that

naive. For the past two years we have been confronted in this house with problems relating to railway transportation. The "non-ops" unions have been in negotiation for over 14 months. Last December we came within hours of having a strike. The railways and the government both refused to do anything about the arbitration report.

Mr. Smith (Simcoe North): I rise on a point of order, Mr. Chairman. We have heard cross-examination on matters dealing with railway wages, and it was my understanding that this measure related to freight assistance. It seems to me that wages or the settlement of a strike are not topics that are in order.

Mr. Winch: I am not discussing wages, sir, I am discussing the freight bill. If the hon. member is trying to stop me from speaking, why did he not get up and try to stop members of his own party when they spoke on the same matter?

This has been one of the most serious problems before this House of Commons. The "non-ops" unions have been in the process of negotiation for 14 months. Just a few hours before a strike was called the government introduced a bill and there was no strike. We are now in the month of May. Right up until almost the deadline set for the strike—the minister knows it because the press covered it—the Canadian National and Canadian Pacific refused to settle just as they did in December. Then, just out of the blue and with only a few hours to go, the railways accept the conciliation report which they had rejected for 14 months.

I am going to ask the minister an honest and sincere question. Neither he nor anyone else in this house can tell me that after 14 months of refusing to accept the plea of the Prime Minister last December, refusing to accept the plea of the Prime Minister last month, the railways suddenly went overboard and accepted the entire 14 cent increase. I just cannot believe that Mr. Crump and Mr. Gordon all of a sudden discovered that they were wrong and they should do something about it. I am saying, Mr. Chairman, that there had to be something between the government and the railways. What was it? Perhaps it did not concern wages but related to decisions on the recommendations of the royal commission. Would the minister be honest enough now to tell us if the decision—

Mr. Balcer: I have told the hon. member five times already.

Mr. Winch: —of the railways was based on any indication given to Mr. Crump or Mr. Gordon that they had better sign an agreement now? I should like the minister to answer that because if anything happens in the future I should like to have him on record now. I am glad the strike was settled.

Mr. Balcer: I am beginning to think that the hon. member is just as sorry as the official opposition that the strike is over. I will answer his question for the sixth time by saying that there was nothing else but what has been said in the house; that is all.

Mr. Batten: I did not intend to take part in this debate. I thought the hon. member for Grand Falls-White Bay-Labrador and the hon. member for Bonavista-Twillingate had covered the case for Newfoundland thoroughly. However, following the remarks made by the minister, I feel I should like to make a few remarks in addition to what those hon. members had to say.

We in Newfoundland are in a difficult position so far as freight rates are concerned. Transportation has always been a very difficult problem for us. We live in an area where, when freight rates are increased, we have very few other modes of transportation to which we can turn as may be the case in some other provinces. The result is that if freight rates are increased we still have to have most of our commodities transported by train or by the Canadian National boats. We live in a province where over 9 per cent of everything we purchase has to be sent into the province. Each year from the mainland of Canada we bring in $250 million worth of various types of commodities. Newfoundland is at the end of the line, and every time there is a percentage increase in freight rates, the percentage increase for Newfoundland is much greater because the rate we pay is higher. However, the point I want to make is this. Stripped of all the verbiage we have had this afternoon, and regardless of what acts have been passed in the last two or three years, the fact still remains that for every freight dollar we paid before 1958, in Newfoundland and the maritime provinces, we now pay $1.08.

Mr. Chevrier: There is another matter which I should like to bring to the attention of the minister and it is this. On February 23, 1961, the board of transport commissioners granted an increase in freight rates of 25 per cent in what are known as the Atlantic and west grain rates, the movement of grain from bay ports to Halifax and Saint John, and that increase has been suspended by the cabinet by order in council which I think was effective March 30 and it is to come to an end early in July. As the minister knows, this legislation is for a period of 12 months. What will happen to these rates? Will they be covered by this legislation or are they rates that are not considered under this measure?

Mr. Balcer: I do not know what will be the decision of the government at that time. At the present time the order is suspended by government action. I could not say at the present time what will be the attitude of the government on July 3.

Mr. Chevrier: The point is this. These are rates known as class and commodity rates. This legislation deals with class and commodity rates but not with competitive rates. I therefore think the question is in order. Will the grain rates that have been increased 25 per cent be covered by this legislation on July 3 to be exact, when the other matter expires?

Mr. Balcer: When the bill is before the committee, I think the experts of the board of transport commissioners will be present and they will be only too glad to answer the questions asked by the hon. member.

The Chairman: Shall the resolution carry?

Some hon. Members: Agreed.

Resolution reported and concurred in.

Mr. Balcer thereupon moved for leave to introduce Bill No. C-93, to amend the Freight Rates Reduction Act.

Motion agreed to and bill read the first time.

CANADIAN NATIONAL RAILWAYS ACT

AMENDMENT INCREASING NUMBER OF DIRECTORS

Hon. Leon Balcer (Minister of Transport) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to amend the Canadian National Railways Act to increase the number of members of the board of directors of the Canadian National Railway Company from seven to twelve.

Motion agreed to and the house went into committee, Mr. Flynn in the chair.

Mr. Balcer: The resolution before the committee is to approve the introduction of a bill to amend the Canadian National Railways Act which would increase the number of directors of the company from seven to 12.

The committee will recall that the third and final report of last year's sessional committee on railways, air lines and shipping recommended that the government might consider the advisability of strengthening the board of directors of the Canadian National Railways by adding to its present number. In the light of this unanimous recommendation, the government reached the conclusion that parliament should be asked to pass the appropriate legislation. The increase to 12 will provide for broader representation on the board, and I feel sure the resolution will commend itself to the committee.

With the permission of the committee, I should like to make a short review of the history of the board of directors of the Canadian National Railway Company. Chapter 13, statutes of Canada, 1919, authorized the organization of the Canadian National Railway Company to operate the Canadian Northern Railway lines, the Canadian Government Railway lines and any other railway lines as should be entrusted to it from time to time by order in council.

The statute provided that the directors be appointed by the governor in council and their number was to be not less than five and not more than 15. Chapter 6, statutes of Canada, 1931, provided for the possible appointment of 17 directors instead of 15 as originally limited by chapter 13 of the statutes of 1919.

Order in council P.C. 2094 of October 4, 1922 appointed nine directors of the Canadian National Railway Company to fulfil the intentions of the above-mentioned legislation. The railway was operated with nine directors in 1923, and in 1924, the directors were increased to 13 and remained at 13 until December 24, 1930, at which time two additional directors were appointed making a total of 15. In 1931 two additional directors were appointed bringing the total to 17. From 1932 to December 30, 1933, the board consisted of 16 directors.

Chapter 33 of the statutes of Canada, 1933, being the Canadian National-Canadian Pacific Act, authorized the governor in council to vacate the existing board of directors of the Canadian National Railway Company and to appoint in their place three trustees. A board of trustees were appointed effective from December 30, 1933, consisting of three trustees under the chairmanship of the Hon. Charles Fullerton to replace the board of directors. This board functioned until October 1, 1936.

Under chapter 25, statutes of Canada, 1936, the Canadian National-Canadian Pacific Act was amended which authorized the governor in council to replace the board of trustees of the Canadian National Railway Company by seven directors.

The seven directors were appointed October 1, 1936, and the number of directors has remained at seven up to the present date. Since the amendment of the Canadian National Railways Act in 1955, the authority for appointment of the board of directors of the railway has been included therein, being section 6 of chapter 29, statutes of 1955.

Under the present legislation the directors are appointed by the governor in council for a term not exceeding three years but a director at any time may be removed for cause.

The salaries of the directors are paid by Canadian National Railways and the amount is fixed by the governor in council.

Mr. Chairman, as I said earlier in my statement, the increase in the number of directors to 12 will provide for broader representation on the board. If we look at the boards of directors of major railways in North America and the mileage operated by these railways, we find that the Canadian National Railways is certainly in an anomalous position in that it has a very small number of directors for the mileage it operates.

As hon. members know, there are seven directors on the board of directors of Canadian National Railways. This railway operates 26,329 miles. If we compare this with Canadian Pacific Railway, they have a board of 24 directors and operate 17,000 miles.

If we look at the short list I have here, the Baltimore & Ohio Railroad Company has 12 directors and operates only 7,000 miles. The New York Central Railroad Company has 15 directors and operates 14,000 miles. The Pennsylvania Railroad Company has 18 directors and operates 16,000 miles. The Southern Pacific Company has 16 directors and operates 13,000 miles. The Union Pacific Railroad Company has 17 directors and operates 11,000 miles.

This shows that of the six railways I have listed, the one with the smallest board of directors is the Baltimore & Ohio Railroad Company, with 12 directors, and it operates only about one quarter of the mileage operated by Canadian National Railways.

Therefore I think this proposal of the government will certainly help the Canadian National Railways' management in that it will give broader geographic representation and also a broader representation as far as the average Canadian activity is concerned.

Mr. Chevrier: Mr. Chairman, the minister began by saying this was a unanimous decision of the committee. I must challenge that remark. It is true that there is a recommendation of the committee on railways, air lines and shipping that the government might consider the advisability of strengthening the board of directors of the Canadian National Railways by adding to its present number, but it does not follow that because this recommendation is there it is a unanimous decision.

I for one, had I been at the final meeting, would certainly not have approved of it, because there was nothing in the minutes of the committee which indicated that a conclusion of this nature would be arrived at. One has only to read—

Mr. Balcer: Mr. Chairman, perhaps we might say it was unanimous as far as the members who were present were concerned.

[Mr. Balcer.]

Mr. Chevrier: Mr. Chairman, if the minister wants to put it that way, I would counter with this. Why, then, was not an earlier recommendation of the committee implemented? I refer to a recommendation made by myself and approved by all the members—that one was unanimous—having to do with the establishment of an economic survey of the St. Lawrence seaway on regional areas of Canada. I have asked repeatedly in the House of Commons why it was not done and failed to receive any satisfactory answer. But it was approved by the committee.

The point I am making now is that because a recommendation is contained in a report, that is not a reason for it being implemented and I challenge the statement of the minister at once. I do so because I know full well that the minister's predecessor, the present Minister of Trade and Commerce, was opposed to it. Representations which I received when I was in office indicated that he and the then government were opposed to it.

Perhaps I may put on *Hansard* the short discussion which took place in the committee concerning this matter, which is evidence of the fact that the minister's predecessor was opposed to it. For instance, at page 153 of the committee's proceedings last year the hon. member for Port Arthur is reported as having asked this question:

I would like to ask the minister—

This was the present minister's predecessor:

—if he is satisfied with the board of directors of the Canadian National Railways?

Mr. Hees: Yes.

Mr. Fisher: I beg your pardon?

Mr. Hees: I said I was satisfied with the directors of the C.N.R.

Mr. Benidickson: Are you satisfied that the number of directors is adequate, having regard to the fact that the rival company, the C.P.R.—and I have raised this in the house—has a very large board, with tremendous connections with potential freight right across the country. Is the minister satisfied that the board of seven which we have is adequate in relation to the competitive advantage that I see in the C.P.R. of having a large board? I do not know how many there are, but I would imagine there are about 25—all with connections for producing freight.

An hon. Member: And with shares.

Mr. Benidickson: I think some of them have very few shares. I am quite satisfied that our seven directors hold shares in Canada, as Canada and that is their job. However, I do not think that it is a large enough group to keep in touch with potential suppliers of business to the C.N.R. I have raised this in the house before.

The Chairman: Did you raise it before your party went out of power?

Mr. Benidickson: Yes, I have done that, and I think I have done it with my former minister, who is sitting beside me, Mr. Chevrier. I still think it is a valid suggestion and I raise it to the minister. Will you consider it?

Mr. Hees: I have had no reason to believe that the present number of directors is not adequate.

The Chairman: This minister is as hard to convince as yours was.

That certainly does not indicate that there was unanimity in the committee about increasing the board of directors of the Canadian National Railways.

Mr. Chairman, may I call it six o'clock?

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 7.30 p.m.

Mr. Chevrier: Mr. Chairman, when the committee adjourned at six o'clock I was saying that it ill-behooved the minister to put this legislation forward on the basis of a committee recommendation. I think this is a matter which must be accompanied by reasons other than that and, of course, the government must take responsibility for this legislation.

The point that came to my mind as I listened to the minister earlier today is, has the management of the Canadian National Railways asked for this increase in the number of directors? The minister likes to say in the House of Commons that he does not direct the affairs of the Canadian National Railways but that it administers its own affairs, and that he represents it and reports on its behalf in the house. That is a position which I think all hon. members will accept. However, I think the minister should tell us whether the management of the Canadian National Railways has recommended an increase in the directorship from seven to 12. I would certainly be interested in knowing whether that is the case or not. I should also be interested in knowing when this decision was arrived at because, certainly when we were in the committee on railways, air lines and shipping last year, there was not the slightest intention expressed by his predecessor of increasing the directorship. In fact, he made it quite clear where he stood so far as the number of directors was concerned. I put that stand on the record earlier, and feel it is not necessary for me to repeat it now. We on this side of the house will oppose this legislation.

Mr. Broome: Mr. Chairman, would the hon. member permit a question?

Mr. Chevrier: Yes, Mr. Chairman.

Mr. Broome: Will the hon. member extend that position to the hon. member for Kenora-Rainy River?

Mr. Chevrier: I think the hon. gentleman will have to direct his question to him.

I have placed on the record part of the discussion which took place in that committee last year. There was no doubt where the previous minister of transport stood in regard to this question at that time. There certainly was no doubt where the hon. member for Laurier stood, and where he has always stood in this regard—he resisted this particular type of legislation when he was in office.

Mr. Chairman, if there ever was a time when this legislation ought not to be introduced, that time is now. There are 720,000 people out of work in Canada today and, notwithstanding that situation, this government introduces legislation to increase the directorship from seven to 12. Twelve per cent of the labour force is out of work. There has never been more unemployment in Canada during the last 20 years than there is now, and there is no greater unemployment in any industrial country in the western world than there is in this country. Notwithstanding that position the government has decided to increase the board of directors of the Canadian National Railways.

An hon. Member: What has that got to do with this bill?

Mr. Macdonnell: Would the hon. member permit a question, Mr. Chairman?

Mr. Chevrier: I certainly will and, if I can hear the hon. gentleman, will be glad to answer.

Mr. Macdonnell: I shall do the best I can. I find myself unable to follow the argument which is being presented, and perhaps the hon. member would explain it. Why the incidence of unemployment should be an argument against this increase, I do not yet understand because, if the object of the act, namely to increase the efficiency of the railways is achieved, then it should help alleviate unemployment.

Mr. Chevrier: The answer to that question is that I consider the statement I have made, as well as the question which the hon. gentleman has asked, as a serious one, unlike some interjections of hon. gentlemen who have been interrupting, and my answer is this. When there is substantial unemployment, particularly in respect of one of the railways of Canada, surely that is not the time to increase the board of directors where the fees are very substantial, as the hon. member knows.

In dealing again with the point which the hon. member for Greenwood has raised, there has been a substantial decrease in the number of employees of the Canadian National Railways, to the extent of 5,000 per year for the last four years. The member for Port Arthur put some figures on the record earlier today in connection with the Freight Rates Reduction Act having to do with diminution or attrition of employment in the Canadian National Railways, which were greater than those I have mentioned. Whether those figures

are correct or not, I do not know, but let us assume that there has been at least—

Mr. MacInnis: The statement you have just completed contains an admission that you do not know whether or not your own figures are correct.

Mr. Chevrier: That type of interruption is made by an hon. member who most of the time—

Mr. MacInnis: Which you never answer, though.

Mr. Chevrier: —speaks from temper rather than from logic. I welcome these interruptions because I see that these suggestions arouse the ire of hon. members. Apparently they would like this measure to go through without any objection. I see some very serious objections to it and I intend to put them on *Hansard*.

I was going on to say that from the figures I have been able to obtain it appears that there has been a diminution or attrition in the number of employees of Canadian National Railways of at least 5,000 per year in the last four years. Yet while this is going on the government is increasing the number of directors. While men are being laid off directors are being added to the board. While men are without work directors are being increased on the board. While men are without employment on Canadian National Railways, it takes more men to administer the railway.

There has also been a fairly substantial reorganization of the various districts of Canadian National Railways recently. I am told this is in an effort to curtail expenditure, a move, incidentally, which is extremely unpopular with the men and with the public. On one occasion the hon. member for Levis gave some indication of what the railway reorganization has meant in his area and how this move has upset the workers in that region and changed the pattern which had existed for many, many years. Notwithstanding that reorganization, it is still found necessary by the government to increase the board of directors.

The deficit of Canadian National Railways this year is probably one of the highest in its history. The estimate given for 1961 is not too encouraging. What it will be I am unable to say but it will certainly be substantial, and if the recommendations of the royal commission on transportation or part thereof are not implemented then, of course, the deficit will reach astronomical figures. While that position exists in the Canadian National Railways the government thinks it is necessary to have more directors look after the business of the company.

If you have a small board such as exists now it seems to me that each director will take a greater responsibility than if there are more directors. It seems to me that each director will feel that he has a greater share of the responsibility if there are seven such directors than if there are 12. Again, I ask the question, what will be the calibre of these directors? Is the calibre going to be higher than in the case of the board of broadcast governors, for instance, where one director has had to resign because of obvious reasons? Will the same calibre of men be chosen here as in that instance?

There is, of course, another very serious matter to which consideration must be given and that is territorial representation. That question is inevitably going to arise if the directorship is increased. This question is going to arise if the number of directors is such that there is likely to be more than one representative for each province, and that is, of course, what is going to happen here. Twelve directors will mean that there will be more than one director for each province. When there is one director from each province it seems to me that unquestionably there is a solemn duty to represent the interests of that province without, of course, neglecting the national interest. If there are two from a province you may well find that sectional divisions will arise.

Then there is the question of the representation of the province of Quebec if there are 12 directors. With 12 directors it will be expected that the province of Quebec will be accorded equitable representation having regard to its population. If it does not get such representation I need hardly tell the minister that he will hear about it in due course because he has repeatedly stated that the C.N.R. was not fair and just to his province. I am not going to put on the record the statement he has made. I have used it before and I do not think this is the opportune time to repeat it. But I do tell him that with these additional five directors he will be face to face with the problem of additional representation in his own province, whether there will be three directors or whether there will be less, and he will have to meet that problem.

It seems to me that the directors ought to be appointed from the point of view of their competence rather than from the point of view of geographical and political interests. There is no doubt that with 12 directors there will have to be geographical representation, and, so far as political interest is concerned, if the same pattern is followed here as is followed elsewhere I suppose that consideration will be given to that as well.

There are some who say that the Canadian Pacific Railway has a large board of directors and why should not Canadian National Railways likewise have a large board? I think there is a very important distinction to be drawn here between a crown corporation such as Canadian National Railways and national corporations. I believe they think it is necessary to have larger boards but in my opinion that is not so in the case of Canadian National Railways. Directors are appointed to the board of the Canadian Pacific Railway for various and obvious reasons. I can think of one such directors, whose name I shall not mention, who has been appointed to the Canadian Pacific board because of the tremendous business that will ensue to that railway, and I presume that applies to others too. From all this it seems to me that a great distinction exists between the Canadian Pacific Railway and the Canadian National Railways.

The question of regional representation, which I mentioned in passing a moment ago, is also of considerable importance. If you have two or more directors from a region or two directors from a province there is likely to be a clash of interests which would not exist if there were but one from the province or one from a region. For these and other reasons which will be submitted to the committee on behalf of the opposition we will oppose this measure.

Mr. Fisher: Mr. Chairman, the minister has indicated that this measure is brought forward as a result of the recommendation of the sessional committee on railways, air lines and shipping, of which I was a member, along with the hon. member for Laurier. As I remember it, the recommendation was unanimous, and it was strongly supported by one of the colleagues of the hon. member for Laurier, the hon. member for Kenora-Rainy River.

It is always of some interest when a government accepts a recommendation of a committee. I like to see it. I do not like to be critical of the reasons why they may choose to do something like this. Some people who do not look at the government with favour suggest this is just another place in which to stick a few political friends. I thought that note was in the argument of the hon. member for Laurier when he indicated that if we looked at the B.B.G. as an example, we would have some indication there. But as one who supported the idea of the committee, both in the full committee and when we were meeting in camera to produce the report, I indicate that we are going to support the measure although I do not feel that it may necessarily mean too much.

The main recommendation for this move, as I understood it in the committee, was one which I do not think the hon. member for Laurier went into fully enough, and that was the idea that by getting a larger and more representative board it might be possible, not so much to have a better check on the C.N.R. as to bring to the C.N.R. management a greater guidance and expertise in various fields that originate traffic or understand traffic and in a complementary way for these people to bring the knowledge that they may have that may lead to the C.N.R. getting more traffic not only from competitors such as the C.P.R. but from competitors such as truck firms.

The argument of the hon. member for Laurier that somehow this is going to create regional problems really does not hit dead centre at all because when you look at the board of directors of the C.N.R. you find that Mr. Bickle has recently died, but the men who are on that board, it seems to me, give a very incomplete representation regionally. I know in our part of the country where the railway tends to be the biggest employer we would very much like to know that we had someone on that board who was more cognizant in a general way of the Canadian National Railways' role in our area than these particular men who are on the board at the present time.

It seems to me the hon. member for Laurier dismissed too quickly the list of people who are directors of the Canadian Pacific Railway and the effect that they have of bringing business and support to that railway. If any of the hon. members have had the opportunity of reading the first volume of the history of the Canadian National Railways, produced a few months ago by Colonel Stevens, they will quickly deduce that there has been a very close connection between railways and banks and investment houses and trust companies ever since railroading got under way. The relationship between the Canadian Pacific Railway and the Bank of Montreal has been something that you just take for granted. It seems to me regrettable that in the kind of economy we have with respect to certain features of it you have a situation where you have congeries or constellations of financial, investment and manufacturing establishments interlocked through directorships. It seem to me silly to oppose probably Canada's greatest company taking advantage of this kind of relationship.

I can say this without saying that I think this kind of interlocking structure is the ideal situation, but it is quite apparent when you run through the directors of the Canadian Pacific Railway where you find such names

as Harry Arkle, London, England, L. J. Belnap, Montreal, Sir George Bolton, London, England, George W. Bourke, Montreal, Hon. F. Philippe Brais, Montreal, Cyril F. H. Carson, Toronto, Hon. J. V. Clyne, Vancouver, N. R. Crump, Montreal, Robert J. Dinning, Edmonton, R. A. Emerson, Montreal, G. Blair Gordon, Montreal, G. Arnold Hart, Montreal, Louis L. Lang, Waterloo, H. H. Lank, Montreal, R. S. McLaughlin, Oshawa, Ross H. McMaster, Montreal, Sir Edward Peacock, London, England, H. E. Sellers, Winnipeg, Howard C. Sheperd, New York, Ian D. Sinclair, Montreal, H. Greville Smith, Montreal, Harold M. Turner, Toronto, H. G. Welsford, Montreal, Henry S. Wingate, New York.

This points out not only the representation that the C.P.R. shareholders have in relation to United States and British investment in the company but also the links that the C.P.R. has with classes that originate and develop a great deal of the traffic that is carried on the road. I see no reason why this attempt should not be made. But having said this, I would point out there is a bit of an anomaly here in that last year in the sessional committee I asked the present Minister of Trade and Commerce whether he was satisfied with the board of directors of the Canadian National Railways and his reply was:

I said I was satisfied with the directors of the C.N.R.

Then, the hon. member for Kenora-Rainy River asked this question:

Are you satisfied that the number of directors is adequate, having regard to the fact that the rival company, the C.P.R.—and I have raised this in the house—has a very large board, with tremendous connections with potential freight right across the country. Is the minister satisfied that the board of seven which we have is adequate in relation to the competitive advantage that I see in the C.P.R. of having a large board? I do not know how many there are, but I would imagine there are about 25—all with connections for producing freight.

Then, the hon. member went on:

I think some of them have very few shares. I am quite satisfied that our seven directors hold shares in Canada, as Canada and that is their job. However, I do not think that it is a large enough group to keep in touch with potential suppliers of business to the C.N.R. I have raised this matter in the house before.

The committee chairman asked:

Did you raise it before your party went out of power?

Mr. Benidickson: Yes, I have done that, and I think I have done it with my former minister, who is sitting beside me, Mr. Chevrier. I still think it is a valid suggestion and I raise it to the minister. Will you consider it?

Mr. Hees: I have had no reason to believe that the present number of directors is not adequate.

The Chairman: This minister is as hard to convince as yours was.

[Mr. Fisher.]

Mr. Chevrier: May I tell the hon. member that I put all that on the record before six o'clock.

Mr. Fisher: Before six o'clock? I thought I was here listening.

Mr. Smith (Simcoe North): You were not.

Mr. Fisher: I was within the environs.

Mr. Smith (Simcoe North): You were not listening.

Mr. Fisher: I offer my apologies in this regard. The point I want to make is that a year ago the then minister was not convinced. Evidently the committee report convinced him and in this sense there is no point, it seems to me, in making a great issue out of it and we will accept it. But there is one aspect of the board of directors that I should like to touch on.

Several times in the last three years I have made a request to the committee that the directors be brought before our committee so that we could talk to them and every time Mr. Gordon has raised strenuous objections. He has read out past statements of the relationship between the president of the railway and the board and he has indicated he does not think this is a proper procedure. But I wonder how long we can go on having confidence in a board, whether it is six or 12, when we get these endless records of deficits and we cannot talk to the board of directors and cannot ask them what are the reasons why the company seems to be making decisions that are supposed to take us out of a bad financial position but seem to put the company further in debt. I can give an example to the minister. The Canadian National Railways a little over two years ago decided to go into trucking. This seemed to be following the pattern of the Canadian Pacific. Now, obviously, somebody sold that policy to the board of directors, but I should like to know why the particular policy was sold to the board of directors?

The Chairman: Order. The hon. member himself has explained that what he is discussing now is irrelevant because he has pointed out that whether the number of directors be six or 12 he would like to know certain things. I would suggest to him that questions on that subject would be better put before the committee that this house has agreed should be set up.

Mr. Fisher: I just wanted to underline to the minister that the fact the number of directors is being increased does not subdue the curiosity one might have about the functions of the directors. On this point, I am strictly relevant. I feel that a larger board, especially if the selection is well made, stands

much more chance, it seems to me, of being suspicious and critical of the management. This is what I should like to see for a period in the history of the Canadian National Railways, a board that would be very critical of the management. I think when one calls for fresh people at the top of the management, that is the time to also call for fresh people on the board of directors. I hope, for that reason, the minister will act very quickly when this legislation is passed, as I assume it will be, to get a new board.

I would suggest that at that time serious consideration be given to an argument that has been placed before us regarding another crown corporation, the Canadian Broadcasting Corporation. I refer to the whole question of the relationship of the permanent employees of the company who, at the same time, are on the board, such as Mr. Ouimet or Mr. Gordon, for example, and the role that they have within the board of directors. I know the hon. member for Greenwood and the hon. member for Simcoe North, I think it is, have often put these questions. I am not trying to interpret their point of view, but I know they have views on this question as to the role of someone who is a senior official of the company and, at the same time, on the board of directors. I know the suspicion has been brought forward in relation to the C.B.C. that the two continuing persons on the board of directors have an advantage when they are speaking to the board about policies which, perhaps, they would not have if the board were somewhat removed from them.

The government has not renewed the appointment of Mr. Donald Gordon as chairman of the board of directors. We have this new legislation before us. One of the most noted of the directors has recently died. It seems to me, therefore, that the minister will have a grand opportunity to bring in not only new faces but to consider allowing the 12 members of the newly constituted board to choose a chairman rather than allowing the president to be reappointed by the government. I do not know what statutory changes that would require, but the suggestion seems to me to be worthy of consideration. The conclusion one gathers from glancing through the 25 year history of the Canadian Pacific and the 25 year history of the Canadian National in statistical returns can be only superficial if one is a layman. However, there are a number of factors I should like to see the board of directors take into consideration. One is the fact that the Canadian Pacific has had more success in keeping down the relationship between payroll and total expenditures than has the Canadian National. I think that we need a candid summation of this by the board of directors and the presentation of some kind of information to this house on this particular matter.

There are quite a number of indications in a comparison between the two railways which would lead one to believe all has not been well with the management of the Canadian National in terms of efficiency. I am a believer in public enterprise. I think it can be very good, and I do not think it has to take a back seat to private enterprise. However, the figures with which one is faced when one compares the Canadian National with the Canadian Pacific can only lead a fairly gullible layman like me to be very critical of the management and directors of Canadian National Railways. I would hope, for that reason that the people who would come from across the country to form this larger board would take a fresh look at the Canadian National and, if this government will not remove Mr. Gordon, ascertain whether or not his performance can be jacked up.

Mr. Broome: Mr. Chairman, we have just heard the hon. member for Laurier in this debate make a series of remarks which I think have been more fitting if they were found in "Alice in Wonderland", because they lack logic; they lack common sense. They were full of fantasy. I agree with the hon. member for Port Arthur when he says that the committee's report was unanimous. We heard nothing from the hon. member for Laurier when we were meeting in camera discussing this subject. We did not hear very much from him in respect of this point in the open committee meetings. The committee's report was unanimous in so far as the recommendation for an increase in the number of directors was concerned. We did not state the number. In fact, I believe that the increase from seven to 12 is too small an increase and I shall advance reasons why I think that way.

Perhaps it is unfortunate that we have a free enterprise company to compare with this crown corporation. However, the comparison is certainly an interesting one. The Canadian Pacific has a 24 member board of directors and seven members of the executive committee. So far no speaker mentioned the executive committee. The executive committee is a committee which ratifies the actions of the senior executive of the company, in this case Mr. Donald Gordon. We were told there was an executive committee of three and that the composition of the executive committee could be different each month. There would be three directors, that is two directors and the president.

We were also treated to a dissertation by the hon. member for Laurier on how the Canadian National Railway was set up. It would be a free enterprise company which would operate outside of the control of the department. The minister would report to parliament on behalf of the company but would have nothing to say about its operations. This provision was made in order to give the company all the advantages of a free enterprise operation and to keep it free of restrictions. The purpose was to enable Canadian National to compete with Canadian Pacific. We have seen the measure of their competition in the balance sheets. These balance sheets reveal that something is sadly lacking some place in the organization.

We were told in the committee, coming back to the setting up of this company, that it was not for politicians or members of parliament to put their noses into the business of this company, that this was part of the function of the management and we were simply there to receive the report of the management on the way the railway had been operated. Whether the company had good public relations with its employees, with its customers and with the general public of Canada, did not matter; we were there simply to receive reports. Last year, for the first time, this committee came out with some suggestions. This government has a record of having good work performed by the committees. I refer hon. members, in this regard, to the estimates committee, the public accounts committee and many other committees that have made suggestions which have been acted upon and adopted by the government, suggestions which have been good. These suggestions have come from the rank and file members of this house. We are operating in a way that the former government did not know, and it is apparent that we—

Mr. Deschatelets: Why don't you talk about the industrial relations committee?

Mr. Broome: Why don't you get yourself on the committee and get in there and do some work; that is the way in which you can do some useful work instead of criticizing all the time. We are making contributions, whereas contributions on the part of the members of the Liberal party are notably lacking. They have been so dragooned over the years that they have not an original thought left, none of them.

Mr. Pickersgill: The hon. member is getting excited.

Mr. Broome: The hon. member laughs because he knows as a former minister how well he did his job. To come back to the composition of the board of directors may I say this. The hon. member for Port Arthur is quite right. It was requested that the directors appear before the committee, but for various reasons it was felt that they should not do so. But they did come up with this operation which has all the advantages of free enterprise and has none of the disadvantages, not one. In a free enterprise system, if your management is not competent or if your management does not produce the results you wish you change them, because they report to the shareholders and the shareholders are interested in the efficient operation of the company.

In this case, the management reports to the executive committee and if the executive committee is not in agreement with the management, management can change that executive committee. The executive committee of the Canadian National Railways are three, and they need not be the same three except for the president. The executive committee of the Canadian Pacific are seven out of a total board of directors of 24. We have on the C.N.R. three out of a total board of seven. If you wish to talk about the officers you find that in the C.N.R. we have 43 officers and in the C.P.R. we have 19 officers. If you want to talk about railway operations only, leaving out ancillary operations of the C.P.R., and if you wish to compare the railway operations, what do you find? This is what you find, and I will give the round figures. In the C.N.R. in 1960 there was total operating revenue of $963 million; operating expenses, $955 million; net revenue, $7.5 million. The C.P.R. in the same period, 1960, there were revenues of $457 million; expenses of $423 million and net earnings of close to $34 million. If you want to go back to 1959, you find on the C.N.R. $740 million on the revenue side, $720 million on the expenses side and $19 million on the revenue side. On the C.P.R. in the same period you find $477 million of revenue, $441 million of expenses and $36 million of net earnings from railway operations alone.

The hon. member for Laurier felt that in this time of unemployment the directorship should not be increased. The Liberals would bring in unemployment no matter what we are discussing. They have got to drag in unemployment on everything, they can think of nothing else. The hon. member brings in unemployment and he refers to the substantial fees of the directors. I may say frankly that I do not think the fees of the directors of the C.N.R. are high enough. They certainly are not substantial. In this the hon. member for Laurier is not any more accurate than he was when he raised a question in the house this morning with regard

to the Vanguard and wanted to know why the T.C.A. did not have the same number of pilots on the Vanguard as there are on Vanguard operations in the United States where none operate.

Mr. Chevrier: What has this to do with the question?

Mr. Broome: This is a bad day for the hon. member.

Mr. Chevrier: On the contrary.

Mr. Broome: The hon. member is out of step with the facts. He is out of step with his own party or, rather, responsible members of it. He talks about curtailing expenses on the part of the public, he says that the public are against curtailing C.N.R. expenses and by inference that means that the public desire that there should be a deficit on the part of the C.N.R. This is what it means. He means that the C.N.R. is not to be made a profitable, efficient operation. He says that they should go further into the hole than they are now going, that nothing should be done, and that if this increase in the board of directors is of advantage to this railway he, the hon. member for Laurier, is against it. That is the only inference that can be drawn. Let me tell the hon. member for Laurier that the taxpayers of Canada want the C.N.R. to be a good, well run, efficient operation.

Mr. Chevrier: So does everybody.

Mr. Broome: He had better—

Mr. Chevrier: The hon. member is talking through his hat.

Mr. Broome: —keep in mind that the public know that we have had deficits totalling hundreds of millions of dollars. We must try to improve the management of this operation, and to do so not from the point of view of operations alone, but also from the point of view of relations with the public and their employees, and they certainly need better relations in those two fields. This government proposes to increase the number of members among other things in order to do this.

Then we get into this funny story about 12 members and how you break them up among the provinces, how will you do justice to Quebec and what the Minister of Transport has said on previous occasions in this regard, according to the hon. member for Laurier. What I say to the minister is this: "Pick the best men you can across Canada regardless of where they live". We are fed up with this sort of gobbledygook from the Liberals. Let the minister pick good men and we will have a chance of having a good operation for once. We never would have this under the thinking of the hon. member for Laurier.

Mr. Chevrier: Pick good Tories.

Mr. Broome: He talked about representation according to population; so we divide up the people of Canada and this part will be entitled to half a director, that part to a director and another part to a third of a director. This is fantasy and fairyland talk. I am rather ashamed of the hon. member for Laurier for the part he took in this debate because up to this time I have had a sincere liking for the hon. gentleman. I have thought that he made a remarkably fine contribution to the debates in this House of Commons. Tonight I have changed my mind. I hope tomorrow the hon. member will reverse this stand he has taken and that I shall be able to maintain my former high opinion of him.

Not only should this resolution increase the number of directors, but later on the minister should set out that the C.N.R. shall have a strong functioning executive committee of the board of directors. I should like to draw to the attention of the minister the fact that of a C.P.R. executive committee of seven, three are officers of the company, namely the chairman and president and two vice presidents; and of the 24 directors of the C.P.R., 12 are from Montreal. I realize that there are certain variations that we would have to have in a crown operated company but we do not have to get into sectionalism. We do not have a company where each city such as Regina, Vancouver, Calgary, Winnipeg and Halifax must be represented. We need broad regional representation. This is the governing criterion. I therefore say to the minister that this is good, well-thought-out legislation which gives confidence to the committees of this house to do a better and better job, whether the Liberals like it or not. It gives a chance to take the C.N.R., with which I do not believe any of us are satisfied, and to put at the head of it a board of directors which will do a job, will exercise a certain amount of control, will give guidance and will help this railroad to do the job the people of Canada want it to do.

Mr. Chevrier: I think it is the practice, Mr. Chairman, when an hon. gentleman makes statements, such as those which have been made by the hon. member for Vancouver South, interpreting statements made by another hon. member, to take issue with them immediately. I take issue with the hon. gentleman because of the interpretation which he put on remarks which I made.

Mr. Broome: *Hansard* will show. I have a note.

Mr. Chevrier: All the hon. member need do is read *Hansard* and he will find out clearly, in black and white, what was said. I do not need the hon. member for Vancouver South to put words in my mouth to the effect that I am in favour of larger and larger deficits. That is not the case. That was not my statement, and the hon. member should know better than to misrepresent what was said by another hon. member.

Mr. Broome: On a question of privilege, Mr. Chairman, *Hansard* will give the story. The hon. member for Laurier is saying that I misrepresented him. I have a note here which says, "curtailing of expenditure on the part of the C.N.R. was not in the public interest", or words to that effect.

An hon. Member: Who sent you the note?

Mr. Chevrier: Then the hon. member had better read carefully in *Hansard* what was said, or he had better listen to what is said by the hon. member for Laurier. He either was not listening or he was asleep.

Mr. Deschatelets: He was asleep.

Mr. Chevrier: I made no such statement as the hon. member has suggested.

Mr. Broome: You said nothing about curtailing expenditure? You did not use those words?

Mr. Chevrier: Will you resume your seat. I gave you an opportunity to speak and I did not interrupt you.

The Chairman: Order.

Mr. Chevrier: Yes, Mr. Chairman, I should be addressing the Chair, and I will do so. However, I made it quite clear that there was a deficit of the C.N.R. which amounted to somewhere in the neighbourhood of $65 million, and perhaps it would be higher because of the subsidies required, and I said this was not the time to increase the directors. That is the statement I made. My hon. friend should not be attempting, by the remarks he made, to misrepresent what other hon. members of the house have said, as he did a moment ago.

Then my hon. friend ridiculed the idea that this had anything to do with employment. I say to him that it has a great deal to do with employment. I say to him that when employment is being reduced on Canadian National Railways, this is not the time to increase the directorship.

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

Mr. Chevrier: Yes.

[Mr. Chevrier.]

Mr. Broome: Do you mean it is not the time to increase the directorship because they will become more efficient, or what is the reason behind that statement?

Mr. Chevrier: The reason behind the statement is this, that when there is a curtailment or an attrition of employees on the Canadian National Railways it is not opportune to increase the number of directors to administer the affairs of the Canadian National Railways. That is the point I was making.

Then, Mr. Chairman, my hon. friend complained about what had taken place in the committee. My intervention in committee, which I put on record, is quite clear. My hon. friend asked a question with reference to that matter, and I told him to ask the hon. member for Kenora-Rainy River. It may well be that he is in favour of increased directorship, and that is his responsibility. But saying that there was unanimity with reference to this resolution is not correct, because I was not present at the meeting.

Mr. Broome: That is right, and—

Mr. Chevrier: Just a moment. Had I been present at the meeting I would have opposed it, as I have opposed it down through the years; as the hon. member's own government has opposed it through the predecessor of the present minister. He has opposed it. I am sure that if the management were asked for their views, they would say exactly what we on this side of the house are saying. There may be a time when it will be necessary to increase the board of directors, but that time is not now.

Mr. Broome: Mr. Chairman, I should just like to correct one thing. The hon. member for Laurier says there was not unanimity in the committee because he was not there, because if he had been there he would have opposed it, and therefore all of us who were there were not unanimous.

This, I beg to say, is exactly the type of reasoning he has used throughout his remarks in this debate. This is the reasoning, that had he been there he would have opposed it; he was not there, and therefore it was not unanimous.

Mr. Chevrier: A great argument.

Mr. Macdonnell: Mr. Chairman, I think the ground has been pretty fully covered and there is very little left for me to say. I wish to say at the outset that I am in favour of increasing the number of directors. Indeed, as another hon. member has already said, I would be very glad if the number of directors were raised above the present proposed number.

There are two reasons, I think, for having directors. One is that if the Almighty is

kind you may get directors who are helpful in the management of the railway. The other more obvious and more certain reason is that if you are wise in your appointments you will get people who, by their prestige, and so on, will raise the reputation of the railway in the eyes of the business community and who through their business connections will bring business to the railway.

The hon. member for Port Arthur has pointed this out. He has said that perhaps it is not a situation that we think is ideal, but at any rate it is practical and inevitable and there is nothing improper about it. Incidentally, I can see no reason whatsoever why a crown corporation should not make full use of directors just as well as a private corporation.

In the authority we have set up for a national productivity council we have tried to get the best businessmen we can and the best labour men we can. They have been glad to come and serve.

I am not going to go through the objections which the hon. member for Laurier raised, except for one or two. I did find it difficult to follow him when he said that because this is a time of unemployment we should not be increasing the expenses of the railway.

No one wants to increase them by a dollar, of course. However, what we are talking about would at the most mean a few tens of thousands of dollars; perhaps less than that. If we were wise and got people who were worth their salt, they might very well make suggestions and bring business which would result in hundreds of thousands, and perhaps millions of dollars of business being brought to the railway. If I may say so with deference to the hon. member for Laurier, his point in this respect seemed to me to be quite unreal.

One thing he did not say, which I was glad he did not say and I was afraid he might say, was that these appointments will be political, and will not be good appointments.

In my opinion the appointments that have been made are excellent. Mr. E. W. Bickle died regretted by everybody. I think he was a great asset to the railway. We have no reason to think that we will not get other men of the same calibre. If we can get such people, we should do so, and I do not see any reason why we should not. People like this would play a real part in building up the railway.

One point has been made which is real and which should not be ignored. I know nothing about this, but I think this statement was made by the hon. member for Laurier. The hon. member said that the full-time officials of the railway would not be so keen to get additions to the board.

Here I am just thinking out loud. I can imagine that if the executive heads thought they were going to have let loose on them a lot of undesirable people who could not contribute, they might very well not want them. But I would bet my shirt that a man like Gordon—whom I regard as a great businessman—if you matched him with men of his own ability on that board, I venture to say he would be glad to have them.

Mr. Horner (Jasper-Edson): Mr. Chairman, we have heard an interesting political speech by the hon. member for Laurier. I must say that the Liberal party must be getting right down to the bottom of the barrel to try and make political advantage of a simple measure like this. But everybody certainly on this side of the house, and I am sure this applies to the hon. member for Port Arthur, is trying to do something about the C.N.R. to make it a more efficient operation.

I, too, have sat on the sessional committee. It was my understanding that this was a unanimous recommendation of the committee. Certainly we are very sorry that the hon. member for Laurier could not be there for all the committee meetings. However, at the same time we have to spend some time in these committees, we bring in recommendations and we are very pleased to see the government accepting this one.

I do not accept his premise that the management of the C.N.R. should be asked whether or not they would like an addition to the board of directors. It is my contention that perhaps we need a stronger, more efficient board of directors. I like the suggestion put forward by the hon. member for Vancouver South, of an effective and perhaps little larger executive committee to scrutinize the decisions made by the officers of the C.N.R.

I think enough has been said about the foolishness of the argument of the hon. member for Laurier with regard to unemployment. I have one other remark I should like to interject here, that they have enough vice presidents now in the C.N.R. that they could lay off half a dozen without missing them very much. If they added some competent men from various parts of the country this might very well have the effect of providing management the stimulus that is required to make this railway run more efficiently, and to improve public relations, both with employees and members of the public, assisting the taxpayers in their problem of running this state owned railway.

I thought it rather amazing that the hon. member for Port Arthur, being the good socialist that he is, was apparently having a few agonizing pains because the free enterprise operation of the Canadian Pacific

Railway was better. I think one of the reasons why that fact exists is because the management of the Canadian National Railways has, like some senior civil servants, been burdened by red tape. They might be able to do a more efficient job if they were aware of the fact that there was to be a searching inquiry made by a sessional committee of the House of Commons. In this regard, I am sure it will come to pass that we will acquire greater detailed information in respect of the operations of the railway, because this is the only overriding scrutiny to which management is subject.

Apparently another reason why the hon. member for Laurier spoke today against an increase in the directorship of the Canadian National Railways was because there had been reorganization of the railroads in respect of several districts, and for some reason or other it would be detrimental to this organization to have an increase in the directorship. I am unable to follow his thinking in that regard, because it seems to me that with this reorganization, it is vitally important that we have an increase in the board of directors. I am thinking particularly in regard to railway companies operating in northern Alberta. The Northern Alberta Railways is 50 per cent owned by the Canadian National Railways and very seldom has any representation on the Canadian National Railways' board of directors, yet the N.A.R. management makes decisions, or does not make them, as the case may be, and there is no check in this regard.

It seems to me, as I said at the outset, that the Liberal party, particularly the hon. member for Laurier, has been more effective at other times when there was something to take issue with, but the hon. members of that party tonight have been on very flimsy ground when they suggest they are opposed to this proposed legislation because the representation would not be proper geographically. The hon. member for Laurier has tried the old dodge of divide and conquer—if things are not right in Quebec, or western Canada, or other places, it will be bad politically. This was the impression he left with me. I am very sorry he has created that impression because I think it is an extremely weak position on the part of the official opposition. I suggest that this government be commended for accepting the recommendations of the committee, and I personally hope it will continue to do so in future.

Mr. Pickersgill: Mr. Chairman, I had not intended to say anything about this particular measure regarding whether there should be 12 or seven directors. I do not think it is of major importance, and I do not believe the hon. member for Laurier feels that it is a major matter. On the other hand, I think we both feel, as do most hon. members on this side of the house, that at a time when the president of the United States is visiting this country; at a time when we have the kind of economic crisis with which we are faced today in this country, we should be concerned with problems of more gravity. What have we been doing in this house today? We have been dealing with horse racing and dealing with the reneval of a stopgap bill regarding the rollback subsides to the railways because the government cannot make up its mind about this and what we are now dealing with is at best, a purely ancillary sort of thing which has been on the order paper for months. In other words, we are being asked to sit these long hours, not to consider the grave situation which faces this country today, but to deal with trivial things like this.

Some hon. Members: Hear, hear.

Mr. Pickersgill: I say again that this is a pretty fair sample of the way this government is running this country, and an example of the kind of consideration it gives to managing the business of this country.

Mr. Winch: Who has done all the talking about it?

Mr. Pickersgill: I have explained to hon. gentlemen that I was speaking solely because of the speeches of the hon. gentleman for Vancouver South and the hon. gentleman for Jasper-Edson which really had nothing to do with whether there should be 12 directors or seven, but fundamentally were attacks on the management of the Canadian National Railways. What those hon. members have said is that the government is not doing its duty in supervising the Canadian National Railways properly; that the government was allowing the Canadian National Railways to get away with murder, and that is why they are supporting this bill. This is the inference I drew from the remarks made by those two hon. gentlemen. I do not want to be unfair to anyone, and if those hon. gentleman feel that is an unfair inference to draw they may say so. The hon. member for Vancouver South referred to the deficits of the Canadian National Railways which were getting higher and higher. I suggest there is nothing new about that situation because since there has been a Canadian National Railways, whenever there has been a Tory government, the deficits of that railway went higher and higher. Whether that is coincidence or cause and effect, I do not know, but it is the fact. I suggest the reason for that situation is that we have a Tory government rather than because we have seven instead of 12 directors.

If the management of the Canadian National Railways is as bad as the hon. member for Vancouver South and Jasper-Edson say it is, the government ought to have guts enough to change it. I do not think it is as bad as that, but if it is, the government should have the guts to change it, and I suggest they will not be changing it very much by appointing 12 directors rather than seven. Probably all that will result from this change will be that five Tory heelers will now have something to do with their spare time.

Mr. Baldwin: Mr. Chairman, I hate to follow speakers on the government side and to pour salt on the wounds which they have exposed under the intellectual armour of the hon. member for Laurier, but shall have to do so later. First, however, having listened to the hon. member for Bonavista-Twillingate, I am amazed that—if he is really sincere in the position he takes, that this is a small trivial matter—he felt it was necessary to make any intervention at all in this debate.

Mr. Pickersgill: I explained why I intervened.

Mr. Baldwin: The hon. member may have explained to the satisfaction of some members, but I doubt if the majority of hon. members of this committee have been satisfied.

Having heard the hon. member for Laurier earlier today, and again recently, in connection with the very grave problems which he relates to the railways of this country, I thought that any measure at all by which this government could attempt to remedy the situation would be acceptable. I suggest one way of doing that is to attack this problem by organizing some change in the administration of the C.N.R.

I was disappointed, as was the hon. member for Vancouver South, in the attitude taken by the hon. member for Laurier on two instances. I was disappointed first in the stand he took when he opened the discussion on behalf of the opposition and, second, having listened to the very logical and devastating argument made by the hon. member for Vancouver South, I was satisfied that the hon. member for Laurier, in his second statement tonight, was going to tell us he had changed his mind, and that he was now convinced that this was a good and logical bill which the opposition was now going to accept. I was very much surprised that he did not do this.

Mr. Chairman, I will deal first with two of the points which were raised by the hon. member for Laurier. He suggested, as a possible reason why this bill should not be introduced, the fact that the previous minister of transport was not convinced, at the time it was discussed by the sessional committee last year, that this was an essential move. I do not know what took place in that committee, as I was not there, but will accept the statement read into the record by the hon. member. However, surely that is one of the trade-marks of this government and of this party—it is prepared at any time to accept recommendations of a committee when it can be shown that changes in policy, in legislation, and in programs are necessary and desirable. That is the trade-mark of the progressive thinking of the Progressive Conservative party. When changes are required we are prepared to advocate them, to put them in the form of legislation and to place them in the statute books of the country.

Second, the hon. member for Laurier was somewhat critical of what he thought might be the calibre of any new appointments which might be made provided this resolution and the legislation which will be based on it are passed. I think this is a place where the hon. member and members of his party should be very sensitive. After all, when a party has held office for 22 years it becomes tottering, sluggish, lazy and complacent. I always think of that analogy of the line of extinct volcanoes, which may well reflect the position of the previous government. That type of government is reflected in the appointments which they make. At this time I am certainly not going to specifically criticize the management of the Canadian National or any of the crown corporations, but in the dying days of a government which has held power for many years there is a tendency to make appointments which I fear are not in the best interests of the country; and certainly the balance sheet of the Canadian National Railways, as it has been presented to this House of Commons from year to year, is the best indication of this fact.

I think of a crown corporation where you have an executive who is a permanent member of the directorate and where you have other directors who meet from time to time. There is a strong tendency—the likelihood is most extreme—that as this board meets, the policies advocated by the executive will be passed down to the directors without too much consideration. There should a continual change of directors. There should be a board of directors whose attitude is, "I am from Missouri; I must be shown that this is right and proper". I am satisfied that there has been too little of that in the past. This is one of the reasons why the position of this crown corporation has come to where it is today. I think we need fresh blood, new thinking and a new approach.

I certainly would go along with those hon. members who have suggested that we might

seriously think of increasing the membership of the board of directors not to 12, but to a larger number. For example, I heard the hon. member for Jasper-Edson speak of the situation of the Northern Alberta Railway. That railway consists of approximately 1,400 miles, and for many years it has had no representation at all on the board of directors. This is an isolated but self-sufficient railway, and it should have some measure of representation on the board. I am not suggesting, for example, that 1,400 miles of railway, in relation to the total mileage of the C.N.R., would justify the Northern Alberta Railway having a separate director, or that the area which the Northern Alberta Railway serves ought to have a separate director, but this sort of reasoning seems to me sound and reasonable. We have not had enough of it in the past.

There is another reason I want to touch on as to the necessity for this change. Anyone who has examined the recommendations contained in the first report of the royal commission on transportation must be struck by their approach to this matter on a regional basis. For example, two of the recommendations which they make deal with the elimination in course of time of passenger traffic in certain areas and on certain lines where it has proven to be uneconomic. The same situation prevails also with regard to freight traffic in what they call low density traffic areas. The suggestion there is that an annual subsidy of $13 million should be payable over a period of 15 years. There has been a recommendation, also, that subsidies totalling some $62 million, subsequently scaled down in five years to 20 per cent of that amount, should be payable in respect of the elimination of the passenger traffic. Now surely, Mr. Chairman, that requires representation on the board of directors on a more varied, more regional basis so that those directors when they come to the board meetings should be able to reflect the thinking and the situation in their particular areas.

When it is necessary for the management of the Canadian National—and I assume the management of the Canadian Pacific—to make various applications to the board of transport commissioners with regard to the gradual elimination of those services, they should be made after adequate knowledge is brought to the board by a director or directors who have some indication of the feelings of the people in that area, who have some knowledge of the economic conditions and are prepared to place this knowledge and information and make their position clear in the board meetings. For this reason, if for no other, it is my sincere opinion that this legislation, when brought before the House of Commons, will be most timely and will be very effective in helping the Canadian National Railways to deal with the very vexatious problems which will confront them if and when they are required to implement these portions of the MacPherson royal commission report.

Mr. Browne (Vancouver-Kingsway): Mr. Chairman, the ground has been pretty well gone over as to the merits of appointing a greater number of directors to the board of the Canadian National Railways. There were, however, a few remarks made by the hon. member for Laurier that caused me some concern. As I recollect his remarks, he said to the minister he did not think the fact that a committee had recommended this was much of a reason for going ahead and doing it. It is a well-known fact that under the previous government committees did not play the part that they are playing at the present time. It has been the aim of the Prime Minister and the present government to build up the amount of work done and the contribution made to our proceedings by committees.

I feel the members of the Liberal party must have some great concern about this because, after all, their own work was put into that committee; they had some members on the committee and during the time that we discussed this matter I do not recall any objection being taken by any one of them. The hon. member for Laurier said he was not there or he certainly would have objected. But none of the other members objected to it and they were there.

Of course, the report was made to the house and there was another opportunity if the opposition wanted to object to it, at that time. I find it strange that we have not heard from any of the members of that party who were on the committee and endorsed the report. I would have thought there would have been a little more freedom within the Liberal party now that they are out of office. We know that that party had some rigidity while they were in office. I would have thought that certainly a party in opposition would have a backbencher who would be free to stand in his place and say something. I say it is very unusual that we have not seen any members of the committee from that party stand up and either agree or disagree with the hon. member for Laurier. I think that a further contribution would be made to this debate if we heard from some of those members who sat with us on the committee. Are they now going to get up and tell us we wasted our time sitting there; that they do not really think committees are much use after all. I do hope the government is not going to be in any way influenced by them.

I am sure the members of the Conservative party commend the government for the action it took to strengthen our committees and to enable backbenchers of the house to make some contribution to the proceedings of the house.

Mr. McIlraith: Did the hon. member say "strengthen"?

Mr. Browne (Vancouver-Kingsway): If the hon. member for Ottawa West has something to say now will he get up and take part in the debate and say what he thinks of the contribution of the members of his party in relation to the committee, the work which the hon. member for Laurier has said was useless, that they did not know what they were doing. In any event, committees really have not much to do with it, anyway.

I am not going to go over the arguments that have been made as to the merits of appointing directors. Of course, the suggestion made by the hon. member for Laurier that because employment on the railroad is going down we should not have an increase in directors is so ridiculous it is only an oddity because anyone who thinks about it would surely think if there would be any reason for strengthening the board of directors of the railway it would be that very fact. I cannot think of any thing that would cause us to want to make more efficient the management of the railway than that very thing, to try to protect the employment of the persons engaged on the railroad.

It was pointed out, of course, that in the case of other similar companies they all had much larger and more diversified boards of directors, and nobody has really got up to dispute that or to give any logical reasons why the C.N.R. board should not be enlarged. On the other hand, we have heard all the excellent reasons why it should be. I hope we will hear from some of the members of the Liberal party who served on that committee. I am most concerned that they should just say nothing and allow the remarks of the hon. member for Laurier to go unchallenged because this would make it appear that that committee was really wasting its time and that its recommendations should not be heeded.

Mr. Fisher: Mr. Chairman, the hon. member for Jasper-Edson placed an interpretation on my remarks and since it is popular today to put a gloss on the position that other people take for you may I say that I believe he indicated that I was agonized perhaps because as a socialist I find the C.P.R. doing better than the C.N.R. I want to put my view in a nutshell. The hon. member for Bonavista-Twillingate said that two members of the government were in effect making criticism of the management of the C.N.R. I am not taking that interpretation from it, but this is what I mean. I do not want the fact that I criticize the management of the C.N.R. to stand either as a reflection upon the employees in the main or to add to any merits that the C.P.R. may have.

When you have three divisional points in your constituency on one line and two on another you come to know some of the employees, and I do not believe that the ordinary brakeman, conductor or maintenance of way man on either railway is inefficient or bad or poor. I see very little to choose between them. The comparison I have in mind has to do with the statistics. Mr. Gordon always tells us that there is no point in comparing the statistics, that you cannot look at the C.N.R. and the C.P.R. We are gullible. We do not know. We cannot stand up against Mr. Gordon.

I pointed out this afternoon that for ten years he has been coming before committees and in the past the best M.P.s in the house have taken him on and he has always been able to confound them. He always makes an annual plea about free enterprise, that the C.N.R. is to be treated as a private corporation. Then he always manages to put over a homily about how you cannot really compare the C.N.R. and the C.P.R. Then we get another little homily that certain information cannot be revealed because that will impede the competitive position of the C.N.R. Quite frankly, Mr. Gordon may consider that I have a great deal of crust and gall and am probably wickedly irresponsible in saying that I have grave doubts about the management of Canadian National Railways. The fact remains, however, that I have this suspicion. We have recurring large deficits. As far as the railway workers throughout the country are concerned they are a morose group of wage earners. It is also my hunch that there is an unpopular public response to the railway.

Having said these things, may I say that I welcome the increase in the number of directors. There are other changes I would welcome more. When the board of directors is duly constituted I suggest that they should take a good look and find some means of comparison that we with our resources as members of parliament cannot find. There is a very definite legal fiction in relation to this whole business of the C.N.R. reporting to parliament rather than to the government. It seems to me that one of the things this house needs to do is to make up its mind that it is a legal fiction because if any member of parliament who is on the committee feels that with our present resources he is

really capable of making a good analysis of Canadian National Railways, I think he has another think coming.

This being the case, it seems to me that we want to examine what I call this legal fiction that the C.N.R. is actually responsible to parliament in the sense that it reports to one of parliament's microcosms, the sessional committee on railways, air lines and shipping. This is the main reason why I welcome the idea of more directors. It may not be worth a hoot but I welcome the idea that we are going to have more directors and that they are going to be drawn from more places and have a greater variety of backgrounds. Maybe we can get some inkling as to why this huge mammoth concern is in the difficulties it is when, as so many people are fond of saying, it has this magnificent president and this great management team at the top.

Resolution reported.

Mr. Balcer moved that the resolution be concurred in.

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

Mr. Chevrier: On division.

Mr. Pickersgill: On division.

Motion agreed to on division and resolution concurred in.

Mr. Balcer thereupon moved for leave to introduce Bill No. C-94, to amend the Canadian National Railways Act.

Motion agreed to and bill read the first time.

FARM IMPROVEMENT LOANS ACT

AMENDMENT TO INCREASE MAXIMUM AMOUNT OF BANK LOANS

Hon. Donald M. Fleming (Minister of Finance) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to amend the Farm Improvement Loans Act to provide that the maximum amount of bank loans made during the period ending on the 30th day of June, 1962 shall be four hundred million dollars, an increase of one hundred million dollars.

Motion agreed to and the house went into committee, Mr. Chown in the chair.

Mr. Fleming (Eglinton): Mr. Chairman, the purpose of this resolution is to permit the introduction of a bill to amend the Farm Improvement Loans Act. The bill is very brief. In a word the amendment provides for an increase of $100 million in the aggregate principal amount of guaranteed loans which may be made by all of the chartered banks during the existing lending period, April 1, 1959, to June 30, 1962.

[Mr. Fisher.]

The limit on guaranteed loans under the act now established in the legislation for this period is $300 million, and it is proposed to increase that amount to $400 million. From April 1, 1959, which is the commencement date of the current lending period, until February 28 last a total of 134,200 loans had been made amounting in round figures to $194 million. Lending has exceeded earlier expectations and there remains just over $100 million in this authorized lending pool for the remaining 16 months of this present term. If present lending trends continue, this amount will be insufficient to cover the total of loans which may be made between now and the end of the lending period.

The amendment is designed to ensure that an adequate supply of credit will be available to Canadian farmers for farm improvement purposes under the legislation. Hon. members will, I am sure, be gratified to know that the credit facilities provided by the act have proved so valuable and have been so widely used by Canadian farmers. I might refer hon. members to the annual report under the act for the year 1960, which has been tabled. The report indicates that there has been a substantial increase in lending during recent years and that the total of loans for 1960 of approximately $102 million represents an all-time annual record.

The bill to be founded upon the resolution, Mr. Chairman, is very brief. It will change one word in the act. This is the word "three" in section 5(d) of the act as amended in 1959 by chapter 25 of the statutes of that year. The bill will change the word "three" to "four".

Mr. Pickersgill: The Minister of Finance, I am sure, will be gratified to learn that for once I quite agree wholeheartedly with something he is doing in this house. We on this side of the house are exceedingly proud of this piece of legislation which was part of the reconstruction program introduced by the Mackenzie King government and by that great finance minister, Hon. J. L. Ilsley, at the end of the war. The fact that this legislation is continuing to serve the Canadian people well, particularly that community to which it was directed, and has served as a model for another bill the minister introduced earlier this session that we also had pleasure in supporting, is I think a matter of gratification to a party which, according to the *Globe and Mail*, provides the ideas in this house.

Mr. Herridge: I rise to express our support for this resolution. I might say that we are rather pleased to notice that the minister comes before the committee, according to the act, to get authority to guarantee this 10 per cent of the additional funds that are required.

We are very glad that they are required. We support this measure wholeheartedly because it has played a very important part in the years since it was first made effective in assisting and developing the economic family farm. I think the experience of the administration since the act was given effect proves this piece of legislation has been very valuable to the farmers in this country who needed short term or intermediate credit.

I know quite a number of farmers in my own constituency who have utilized this act. I see that, according to the report, the purposes of the loans are, the purchase of implements—there is a considerable increase in that—the improvement and renovation of farm buildings; the purchase of livestock; the clearing and breaking of land—this is a section in which I am particularly interested and I will come back to it in a few minutes —and miscellaneous developments. According to the report, a remarkably low loss ratio is shown, about one tenth of 1 per cent. I think that is a remarkably low loss ratio. When the minister replies, I should like him to inform the committee what the loss ratio is on commercial loans from the banks under ordinary circumstances. The comparison would be very interesting. I think the loss ratio demonstrates the stability of the investments and the fact that the money is being loaned wisely.

First of all, I want to make a suggestion that I have made previously in connection with the clearing and breaking of land. I believe that farmers who borrow money to clear and break land should receive the same exemptions for the money expended in that direction as the gas and pipe line companies or oil companies receive under the Income Tax Act on the basis that they are bringing natural resources into production. I do urge the minister to give some consideration to this suggestion. I think the farmer who increases our agricultural production by breaking or clearing land, draining land or in some cases diking land, should receive the same consideration as these other companies under the Income Tax Act. I feel there are valid reasons for the consideration of these representations.

I should like to ask the minister if he has received any representations or suggestions from farm organizations in the last year in respect of the improvement of the administration of this act.

Mr. Fleming (Eglinton): I do not recall receiving any.

Mr. Herridge: Has the minister received any suggestions from the banks for the improvement or amendment of the legislation?

Mr. Fleming (Eglinton): Not recently.

Mr. Herridge: Has he received any suggestions for improvement of the act from his own officials?

Mr. Fleming (Eglinton): I think the legislation has been working satisfactorily. The hon. member is aware that these are government guaranteed bank loans and, so far as the officials of the department are concerned they are concerned with the administration of a loan toward which the crown stands in the relationship of a guarantor and not the original lender.

Mr. Herridge: Then I should like the minister, when he replies, to inform the committee what the normal procedure is when the government has to meet the guarantee for a certain loan. What is done then to attempt recovery of the loan after the government has met the guarantee? I am not quite clear about that.

I should like to know what information is sent out to farm organizations, and what advertising is done. The one criticism I have to make is that some bank managers are not quite alert in this respect. I have a letter on my desk which I received yesterday from a local bank manager who is interested in a dairyman who wants to take advantage of this act. The bank manager has informed him about it and told the dairyman what can be done. In other cases, however, I find bank managers are not fully acquainted with the benefits of the legislation or do not take the time to inform local farmers and farm organizations of the advantages of this act. What is done in the way of advertising? Does the Minister of Finance make a practice—I think it would be a good one—of making certain that the farm organizations receive literature? I am not suggesting that every organization should receive this literature, but the provincial sections of national organizations should receive it. Then, too, sufficient copies of the annual report should be sent to each local farm organization such as the Canadian Federation of Agriculture branches, dairy organizations, livestock organizations and organizations of fruit growers, so that they would be distributed to the members. I think that would be very valuable.

I think the act could be utilized to an even greater extent. My major criticism is that a number of farmers I meet are not aware of this act. I cannot understand it. I think there is really a lack of information so far as local organizations are concerned.

Those are the remarks I have to make at this stage. Like the hon. member for Bonavista-Twillingate, we find we are a sort of happy family in supporting this legislation

tonight. The suggestions I make are made in a good spirit, and I should like to hear from the minister.

Mr. Fleming (Eglinton): The hon. member has asked about several points. As hon. members are aware, this legislation has been in existence now for some 17 years. It has been amended from time to time. It was originally introduced with a limit on the term of years for which it was in effect and with, of course, a ceiling on the extent of crown liability. This period has been moved forward. As the hon. member will recall, in 1959 we brought amendments before the house and those amendments enlarged the scope of the act. They moved forward the lending period. They fixed the total of permissible loans at $300 million and enlarged the maximum individual loan from the figure of $5,000, as it had been previously, to $7,500. These amendments have been very well received and have undoubtedly proved their usefulness to the Canadian people.

As to making the available facilities of the act known, I think it may be said that the facilities of this legislation are well known to the Canadian farmer today. It is a well established credit facility available to him. Pamphlets have been available through the rural branches of the chartered banks for a long time explaining the features of the act and the facilities that are available under its terms to the farmer.

The hon. member asks about the way in which the guarantee is administered. The act, of course, stipulates the total of loans that may be made in pursuance of its provisions. This total is not a revolving fund. It is a total of loans permitted in the particular lending period. In the earlier years of the act these were three-year periods. In 1959 we made the present period of three years and three months in order to bring it to June 30, 1962, which was thought to be a more convenient date for the house in the course of its sittings. The legislation fixes the extent of the crown's liability as guarantor in the 10 per cent provision which is to be found in section 4, subsection 1 of the act.

As to the guarantee itself, these loans, of course, are made by the banks and the individual branch bank is responsible for reviewing the suitability of the applicant and his eligibility for a loan. The ordinary tests as to credit worthiness of the applicant are in the hands of the local branch managers to enforce. Then the loans made under the act by the bank are reported to the department. Regular reports are submitted to the department and a record is kept there of the loans. There must be a record, of course, in order to be sure that the operations are carried on within the limits of and according to the terms established by the legislation.

When a default occurs it is, of course, the responsibility of the lending bank concerned to endeavour to enforce the terms of the loan. It is only when the bank has failed in its efforts to remedy the default that the claim would be made in pursuance of the guarantee. When the claim is made on the guarantee it is only after the bank has exhausted its normal remedies in its endeavours to collect, that the loan liability would be discharged by the guarantor, namely the crown. In that event the crown is subrogated to the rights of the lending bank so that if there were opportunity for recovery against the borrower, in that case the crown would be in a position to exercise the rights that had previously accrued to the bank under the terms of the loan. That is the procedure.

The hon. member for Kootenay West has pointed out the loss record under this legislation as being quite a remarkable one. The 1960 annual report at page 4 contains this instructive paragraph:

> Losses under this legislation continue to be low. During the year—

That is the year 1960.

> —209 claims for a total of $167,406 were paid. Since the inception of the legislation 1,752 claims have been paid for a total of $1,192,594. On the basis of a total of $1,013,782,362 lent, the loss ratio is approximately one tenth of 1 per cent.
>
> Recoveries of claims paid to date amount to $100,605.

To paraphrase what has been there stated in the report, the aggregate of loans made under this legislation since 1944 exceeds $1 billion. Yet in the 16 years of operation the number of claims on which default has been made with a resulting claim under the guarantee is just 1,752. The crown has paid in pursuance of its guarantees a total of $1,192,594; and the crown having paid out under its guarantees sums totalling that figure has made recoveries of $100,605.

Mr. Herridge: There is just one question that I overlooked and I hope the minister will not mind my asking it now. Has the minister recently received any representations from farm organizations with respect to any amendments to the legislation?

Mr. Fleming (Eglinton): No; none that I am aware of. I think it is an indication of the fact that the legislation is working very satisfactorily.

Mr. Gundlock: When I speak on agriculture matters, I find that I am repeating myself. It seems that invariably I follow the hon. member for Bonavista-Twillingate and the hon. member for Kootenay West and it

has been a pleasure to do so. The hon. member for Bonavista-Twillingate indicated his happiness over the fact that during a certain period this original bill was instituted. I can only say that during another certain period the bill has been made most effective.

Following the hon. member for Kootenay West I have only this to say. I certainly agree with him and I enjoy his support. I just wish to state, putting it in simple language, that this increase of 25 per cent in the matter of farm improvement loans is to me a great step forward.

Recently, in other places connected with this house we have been told that this is a most wonderful piece of legislation, although possibly a little bit less than what it could be. I may say frankly that I refer to certain machine companies in certain discussions with regard to farm machinery prices. Time and time again it was stated by those particular companies that this very act itself had contributed much to the welfare of Canadian agriculture in particular. Their only comment was that it did not go quite far enough. I repeat what I said previously. I am very happy to bring this matter to the attention of the committee. The final over-all figure is increased.

There again I would call this statement to the attention of the very quiet group in the corner. They have so often talked about interest rates. On several occasions in the committee it was pointed out to us, and very reluctantly as a matter of fact, that the equipment companies do make arrangements to finance farm machinery purchases, and of course the rates of interest are from 10 to 11 per cent.

Mr. Chairman, in rising tonight in committee to support this measure we all realize that the rate of interest is 5 per cent. Most certainly we must all commend the government for increasing the total amount available under this measure to Canadian agriculture for the purchase of farm machinery, livestock and all the way down the line.

This means more aid and more support to Canadian agriculture, which particularly relates—and I again endorse some of the things said by hon. members who have spoken before me in this committee—to the small family farm. This question has come up so many times previously that I am not going to go into it and take the time of the committee tonight. However, by way of emphasis I should again like to say that this increase in the total amount most certainly enlarges the aid to and contributes to the betterment of the family farmer in Canada.

What I said the other night in supporting another bill might bear repetition at this time. It is certainly our duty to support the Canadian family farm, because as I emphasized at that time it is my conviction—and this has been borne out more and more as the legislation of this government takes form; perhaps not in completion, but as it takes form— that we can compete, and compete economically, particularly in light of the fact that such legislation is continually being brought forward and improved. In saying that I speak with all deference as a Canadian family farmer.

Mr. Argue: Mr. Chairman, hon. members of the committee have been very much in agreement on this resolution and the hon. member for Bonavista-Twillingate made a speech in which he commended the government for having continued Liberal policy.

I have noticed a tendency in the Department of Agriculture that when they are continuing what is really legislation that has already been placed on the statute books, they usually make some announcements about improvements that they say are exceedingly important and far-reaching. Then they change the title of the act in order that everyone will forget that the basic act had been passed by a former administration.

Although the Minister of Finance has not done this, I wonder why he has resisted this temptation, because he could have upped the extent of the provisions. He might have extended the definition of livestock to include other birds and animals that are not contained in the definition. He might have changed the title so we would forget that this act had been amended and improved.

The Minister of Finance might have changed the name of the act. It has been called the Farm Improvement Loans Act; he might have called it the farm development act, or the farm bank credit act, and then we could have forgotten the bad record of the former administration—

Mr. Macdonnell: The minister does not want to take away the simple pleasures of the opposition.

Mr. Argue: I am glad the Minister of Finance takes this very practical attitude and has not changed the name of the act. However, I think there are certain improvements that could be made in the act.

We are very pleased that the government is increasing the aggregate sum that may be loaned by the banks with this guarantee. I think that not only the lending history under this act demonstrates that this move should be made, but information coming to us in the agricultural committee indicates that this particular act should be used much more extensively than has been the case.

One of the witnesses before the agricultural committee, a witness for the farm implement

dealers, was asked a question, if I remember correctly, as to what proportion of loans for financing the purchase of farm implements was made under this act. His reply was 25 per cent. Therefore according to this gentleman 75 per cent of the money loaned for the purchase of farm implements is either provided by the implement companies themselves, by finance companies, or perhaps to some extent by credit unions.

Mr. Smith (Simcoe North): Not necessarily.

Mr. Argue: My hon. friend can make his speech later. He says, "Not necessarily". I think it follows from that statement that a very large proportion of the implements being sold today are being financed by the companies themselves.

I would be interested in obtaining information on this particular point if the Minister of Finance has that information. I do think it is an important point in assessing the relative value of this legislation. We are all in favour of it and we think it is good legislation. We are not quarrelling with it. However, it would be interesting, if the minister has this information, to know what proportion of farm implements are being purchased through financing under this act, or alternatively are financed by the implement companies themselves through their own credit corporations.

Mr. Fleming (Eglinton): Mr. Chairman, I certainly have not the figures on those points, but I can say to the hon. member that approximately 80 per cent of the loans made under the terms of this act are used for the purpose of assisting in the purchase of implements.

Mr. Argue: Of course, the minister understands very well that he is not answering my question. All he is saying is that this act in the main is used for the financing of farm implements. However, the minister does not have the information and I am not being critical.

Mr. Smith (Simcoe North): May I ask the hon. member a question?

Mr. Argue: Surely.

Mr. Smith (Simcoe North): Does the hon. member suggest that all loans made by banks for the purchase of farm implements are made under the terms of this act and that none are made on the normal security of debtor and creditor?

Mr. Argue: No, I would not say they are, but I would think the vast proportion are made under this act. If the hon. gentleman has information on this point that he can give the committee, I would certainly be pleased to hear it. My own impression at least, from talking to farmers, is that farm implement loans are generally financed under this act.

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

Mr. Argue: Certainly.

Mr. Gundlock: Are you speaking for western Canada?

Mr. Argue: I am speaking about western Canada, yes. The figure I referred to was given to the committee. I do not know that it applied particularly to western Canada.

However, there has been growing up in recent years a practice by farm implement companies themselves to finance a very substantial proportion of their own farm implement sales.

This is of course important to them and it is important to the dealers, because it makes it possible for them to make sales that perhaps otherwise would not be made. But it is very expensive for the farmer; it means a higher cost for the financing of farm implements. We were told the rates were in the neighbourhood of 12 per cent, and certainly to finance farm implements through the farm implement companies themselves would cost twice as much—perhaps more than twice as much—as the cost under this legislation.

I think it is very much in order that we should increase the total amount of money that may be loaned under this act in the hope that the banks will be lenient, that they will promote this kind of loan, and that the implement companies and the farmers will make use of these facilities. I think there is probably a tendency on the part of banks to make loans with guaranteed higher interest rates, although I understand they have changed this policy. I certainly think it is correct to say, with the existence of policy generally restricting bank credit, banks will put the squeeze or lid on this kind of loan, and enforce the same kind of control as is enforced in respect of other types of loans.

This is good legislation and should be continued. I feel there will be ample money available under the act to cover loan needs of agricultural producers. I repeat again now, something which I have stated in discussions of this type of measure in the past, that I feel very strongly that guarantees which are given to banks, under this and other legislation, should be given to credit unions.

The minister may say that credit unions have not asked for this type of legislation. He may also say, as he has said before, that credit unions are not under the jurisdiction of the federal government. He may be able to give many reasons why he disagrees with the suggestion I have made. I made this

proposal when another bill was before the house guaranteeing bank loans to small businesses, and the minister of finance, of that day, said that credit union spokesmen and representatives had not asked for this type of guarantee. I feel those representatives were a little slow and not perhaps completely up to date regarding the matter, because after that legislation had gone through the House of Commons and was before the banking committee of the other place, representatives of a co-operative union said that under certain circumstances they would like these guarantees to apply to them. While the minister was absolutely right when he said that credit unions had not asked for this guarantee, they did ask for—not full guarantees across the board—guarantees under certain circumstances. I am sure the day will arrive when guarantees under this kind of legislation will be given to credit unions. I think the fact of the matter is that not only has the government itself been reluctant to provide this type of guarantee, the credit unions themselves have been slow in asking for it and in coming to the conclusion that it should apply to them.

Mr. Smith (Simcoe North): Mr. Chairman, may I ask the hon. member another question? Would credit unions be willing to lend money at the same rate of interest provided under this legislation?

Mr. Argue: To secure an answer to that question, I feel we should direct it to the credit unions themselves. Perhaps we could also ask whether guarantees would be given to credit unions if the interest rates were higher, but only the minister can state government policy. Credit unions provide loans at something more than 5 per cent, and they provide insurance on the loans. That is certainly something which is worth while.

Mr. MacLellan: Mr. Chairman, I should like to ask the hon. member a question. Is the hon. member intimating that the Conservative government is smarter and further ahead than credit union management?

Mr. Argue: If the hon. member wishes to take that implication from what I have said, he may. I do not think it was inferred. I think credit union representatives are ahead of the minister, but the minister was correct in saying that they had not asked for guarantees.

I feel that guarantees such as are provided under this act should also be made available to credit unions. The hon. member asks whether credit unions will lend the money at this low rate of interest; I am not sure that they can, because credit unions in the area from which I come are lending money at rates of interest in excess of this. Some charge about 7 per cent interest, but they pay patronage dividends. They pay dividends to the individuals who borrow the money. However, I do feel that credit unions, at least under certain circumstances, would be able to lend money at this rate of interest, but they should be allowed to speak for themselves. I think representatives of credit unions should be allowed to appear before the banking and commerce committee in order to explain to members of parliament why they should or should not like guarantees such as are provided under this and other acts. I look forward to the day when credit unions in this country are given the same kind of guarantees as are given to banks. I look forward to the day when credit unions occupy an even larger portion of the lending field and, in fact, become the people's bank, owned and operated by membership, and feel that when that day arrives they will carry out a very useful service providing money at rates of interest certainly lower than the rates of interest now being charged by small loans companies after having paid dividends. I refer to interest rates much lower than those charged now by implement companies.

I suggest also that banks should be more lenient in the provision of loans under this act. I feel it is a disgrace to the banking system, to the government and to parliament, that institutions, charging interest rates of 10 or 12 per cent, should be occupying, to a larger and larger degree, that area of farm implement lending.

The interest rate provided by this legislation is very reasonable. The resolution which was introduced when the last amendments to this act were made did not initially contain a limit on interest of 5 per cent. Some hon. members worked very hard to have the 5 per cent limit placed in that legislation, and we are very glad that this has been done, and feel this is the kind of interest rate that should be provided.

Mr. Henderson: Mr. Chairman, I should like to say a few words about this resolution. I believe this is wonderful legislation. Increasing money for loans from $300 million to $400 million will be of great assistance to the young farmers in the Peace river district of my constituency. In that area we have 1 million fertile acres, the finest land in the world. Wheat grown in that area has five times won the championship of the world at the Chicago exhibition, which finally barred one Herman Trellee from entering a sample from the Peace river country.

Not long ago we had people from the United States coming into the area buying up the ranch land. Young farmers want to

buy their fathers out because they have cultivated the land, worked it and know exactly how to farm it. They wish to stay in the farming business and, to do so, like to buy out the old man, and the old man wants to go into town to retire. These old gentlemen are in the age group that I am in, around 70, and are getting too old to do the hard work, and the young fellows want to take over. Naturally they want to take over those farms on which they have been raised and have made a living and the farming methods for which they understand. I suggest that no one is a better farmer than the boy who has been raised on the farm.

The Peace river country, as I have said, is wonderful country consisting of a million acres. When I look out over the Ottawa countryside and see this stony land it makes my heart bleed. These are good hard working people, and that country would be an asset to Canada. Land is a thing that is needed. We need more money. The sum of $400 million is fine, but let us get it up to $500 million.

Like the last speaker, I think the co-operatives should come under this legislation. We have one of the largest co-operatives in Canada at Dawson Creek. Hon. members can check and see whether I am right. Some hon. members laugh, but we have the largest co-operative store in Canada. We are not out in the bush, you know; we are located in the finest farming country you ever saw. Those people came in just the other day with 2,600 ewes. They lost 14 bringing them in. If we can kill off New Zealand in so far as their lambs are concerned, why we can raise all of the lambs necessary for all of western and eastern Canada.

I just wish to compliment the minister on this fine resolution and I hope we get more money still. Thank you.

Mr. Horner (Acadia): I should like to say a few words on this particular resolution. I realize that it may well be a necessity because of the amount of loans made in the past two years. The sum of $98 million was borrowed in 1959 and $101 million in 1960. If another $100 million, or a little more, is loaned in the coming year we shall well exceed the limit which, as I understand it, is now $300 million. Therefore this legislation is certainly a necessity. The maximum amount must be increased to $400 million.

In looking over the report of the farm improvement loans board tabled in the house by the minister I find that on page 7 it suggests that the banks have given the fullest co-operation toward meeting the credit requirements of agriculture generally. Before the committee on agriculture the farm implement dealers suggested that as early as May 1959 they sought other ways to provide credit for farmers to purchase agricultural machinery. This is interesting because in 1958 this government increased the amount of the loans, as has been mentioned already, from $5,000 to $7,500. It is interesting to note on page 10 of the 1960 annual report that the loans jumped from $69 million in 1957 to $90 million in 1958, to $98 million in 1959 and to $101 million in 1960.

Five years before the maximum was increased the maximum amount loaned out in any one year never exceeded $70 million. Certainly, the extension of the amount loanable from $5,000 to $7,500 did give quite an advantage to a large number of farmers with respect to the amount of the loan for the purchase of agricultural machinery. It certainly was welcomed by the machine companies themselves.

I had grave doubts, Mr. Chairman, and wondered whether perhaps this would not simply allow the well established farmer to borrow more money. I am pleased to see that, according to the annual report of 1960, at page 4, there were 28,774 borrowers who had not previously obtained farm improvement loans. I think this is a welcome figure and it accounts for 42 per cent of the number of loans made. Therefore, I might suggest that perhaps new farmers are coming into the borrowing field at all times, and perhaps more farmers are taking advantage of the Farm Improvement Loans Act.

I might say that at times I have been a bit disturbed about how this legislation is administered and how the operations of some banks have limited the amount of the loan under the act. I notice in the 1959 report that the Bank of Commerce loaned less money in 1959 than in 1958. It was one of those banks that was perhaps lending money, or lending a greater share of its money, to more lucrative business. I think that to a greater extent the banks could lend money to farmers who, through necessity or a desire to get ahead, have branched out and accepted part-time jobs besides their farm work. Some banks have a tendency to limit loans to this type of part-time farmer, and other tenant farmers have found it difficult to borrow money because they do not have a secure title to the land. They may have a long term lease of it, but the banks have been reluctant to lend to them because in the next year or two they may be somewhere else or in some other farming community or district.

I notice that on page 7 of the annual report it is suggested that the terms of the loans and the rate are 5 per cent per annum. The hon. member for Assiniboia suggested that when this measure was brought into the house in 1958 there was some suggestion of changing

the interest rate. Well, he was mixed up as usual. What he was referring to was the Farm Credit Corporation and not the Farm Improvement Loans Act. I am not really surprised because the hon. member for Assiniboia has been taken in this house to be an agricultural expert. But he is so far away from the farm that I do not think he could tell a tractor from a combine, let alone a kernel of wheat from a kernel of barley. Therefore, it is quite normal to expect him to get mixed up between a Farm Credit Corporation loan and a farm improvement loan, which are two different things entirely. The one is a loan from the government, the other is a loan through the bank for a smaller amount, mainly toward the purchase of machinery.

The hon. member went on to talk about credit unions and co-operatives taking advantage of this legislation. I do not think there would be any objection to that if they became a chartered bank and loaned at the same interest rate. I do know the farmers would welcome another lending institution from which to borrow. I know the credit unions are sometimes short of lending money but some of the large co-operatives have quite a bit and are able to back a lot of insurance companies and so on, particularly those in Saskatchewan. Therefore, they might well have the financial resources to enable them to become a chartered bank, or set up a chartered bank and get under this act. I do not know, but I would welcome it if they did.

One of the things that I should like to see taken into greater consideration under this act while they are expanding the amount to be loaned under it is a change in the attitude of banks toward lending money toward the purchase of machinery. Some of the banks have a tendency to lend money toward the purchase of new machinery or practically new machinery. I know it is difficult for a farmer. He might see a tractor that is five years old. A lot of five year old tractors are pretty good machines and they could be picked up at pretty reasonable prices; but it is sometimes difficult for a farmer to get a farm improvement loan on a five year old tractor. Banks are a little hesitant about putting out the money. They would like to see the farmer purchase a new tractor, and they would give a farm improvement loan on a new tractor. But oftentimes a farmer can borrow a lot cheaper on a five year old tractor and he can buy it a lot cheaper. I realize that you can pick up many lines of machinery that are one, two, three years old. But when you get in the five to ten year class, a lot of bankers are very reluctant to lend under this act on these particular types of machines.

I also notice in the annual report that a greater number of loans are being made for livestock. Actually, in the past three or four years, whether we like it or not, the cow has become a very stable sort of financial investment for farmers, particularly in western Canada and, I might say, in all of Canada. There is no safer place to invest a dollar bill than in a cow. I think the banks could make a substantially greater amount of loans toward livestock purchases. Recently a lot of feeder associations have been established which are making loans for the purchase of livestock by cattle feeders and other farmers who wish to purchase livestock but these farmers must pay 6¼ per cent on the borrowed money. If they could borrow the money under the Farm Improvement Loans Act they would only have to pay 5 per cent interest and the cattle would be theirs. If they decided to keep them for an extra year they would not run into any difficulty if they met their payments on their loans and they would have a greater length of time to pay the money.

I notice that farm improvement loans are repayable within four years but that the maximum period is ten years. I must say that in my experience of farm improvement loans the limit in most cases has been three years although with the extension in the amount that can be borrowed from $5,000 to $7,500 the banks have tried to extend the period to four years and possibly five years. I think it would be a very rare exception where they would extend the period to the maximum of ten years and I wonder how many times they have actually done so.

I was interested in learning that before the agricultural committee one of the farm machinery companies had suggested that 38 per cent of the machines purchased through their dealers in western Canada last year were financed by their own finance company. To me this was a surprising and shocking statement because these farmers were borrowing money at an interest rate of 11 per cent. I would think that if the banks were willing to co-operate and lend to the fullest extent on new and used machinery the great field of machinery financing into which the machinery companies are stepping would be absorbed under the Farm Improvement Loans Act.

Some members may wonder why I emphasize a greater amount of lending for secondhand farm machinery. Today in western Canada, and I think the same holds true for all of Canada, I know that there are two secondhand tractors sold for every new one or possibly three or four in the case of some dealers. Therefore when I look at the annual report and see that 26,000 tractors were purchased last year I wonder how many of those were used machines and how many were new. With respect to used machinery

particularly, the finance companies which are part and parcel of the machine companies are moving into this field at a rapid rate. In fact, some dealers have told me that the only way they can move stock is to find somebody whose credit rating at the bank is not good enough and who is willing to take secondhand machinery such as they have on their lots at the company's terms, which means an interest rate of 11 per cent. Therefore I think the greatest area for expansion under the Farm Improvement Loans Act is to give greater consideration in the case of secondhand machinery and also in the case of livestock loans and permitting farmers to purchase livestock on a three-year basis. To my way of thinking this would be very helpful to anybody wanting to purchase what might be termed a basic herd. Three years is a relatively short period to pay for a basic herd and this period could well be lengthened to the maximum of ten years if the farmer had that kind of credit rating.

A few years ago livestock prices were fluctuating a little more than is the case today. The farmers of western Canada all remember the foot and mouth disease outbreak and the drastic drop in cattle prices after that occurrence. Today, however, there is a floor price on cattle and the market will not depress completely. Therefore there is not nearly the risk in investing money in cattle that there was in 1952 when a great number of feeders in western Canada went completely bankrupt because there was no floor under cattle and prices dropped substantially.

I have very little more to say than that I hope the banks will make a real effort to extend credit in the areas I and other members have mentioned tonight. I hope that the farmers will take greater advantage of the 5 per cent interest rate rather than turning to the finance companies set up by the machinery companies. Last year and in years past the finance companies have been making substantial profits. It might be interesting to note that Traders Finance made as much money as the average chartered bank in Canada.

Mr. Pickersgill: Mr. Chairman, I am going to raise a point of order. We are being asked to sit exceptionally long hours and I should like to know whether this filibuster is going to go on all evening on this measure on which everyone is agreed and with respect to which the hon. member quite obviously is trying to put in time on something that has no relation whatever to the measure before us.

Mr. Jones: On the point of order, is the hon. member for Bonavista-Twillingate going to deny to hon. members in this chamber the same opportunity to speak? Surely he speaks enough in this chamber. My friend who has the floor is not one of those who has the opportunity to speak every day and when he speaks he usually has something to say—

Mr. Chevrier: He certainly makes a lot of noise.

Mr. Jones: —unlike the hon. member for Bonavista-Twillingate who monopolizes a good deal of the time of the house. I suggest that the point of order he has raised is completely spurious.

Mr. Chevrier: I should like to hear the Conservative whip on this point. He has been busy getting people to filibuster.

Mr. Horner (Acadia): Perhaps I have used a little more time than I intended when I got up to speak but this subject is dear to my heart. I have borrowed a lot of money. I have bought a lot of machinery through farm improvement loans. I know what it is like to go to a banker and ask him to extend me credit under this act. In fact, I would say I have taken the fullest advantage of the act, and I know some of the difficulties farmers are having in borrowing money under the act.

The hon. member for Bonavista-Twillingate objects to members speaking in this house. Whenever a government member speaks he says we are filibustering some piece of legislation. It is the same thing in committees. I have sat in committees with him such as the broadcasting committee. If government members speak they are wasting time or filibustering something or asking frivolous questions. The hon. member interjected with a rude point of order that I was not speaking to the particular legislation. Actually I thought I was. I was suggesting some fields that could well be covered by the banks in lending this extended amount of money. I beg to differ with the hon. member for Bonavista-Twillingate. I suggest I was speaking to the resolution. I realize that the hon. member cannot grasp and does not know anything with respect to what I am talking about.

Mr. Pickersgill: I agree.

Mr. Horner (Acadia): That is quite understandable because he knows very little about a lot of things pertaining to western Canada and agriculture in particular. I hope I have not bored him too much. Maybe if he will study what I have said about farm improvement loans he will glean some information from my remarks. I think I have said about all I wish to say, Mr. Chairman.

Mr. Chevrier: On the point of order that was raised by the hon. member for Bonavista-Twillingate, may I say that I am sure the committee realizes there was nothing personal

in the remarks he made. He made an interjection which he had every right to make. It was quite obvious to those of us who sit on this side of the house that my good friend, my distinguished friend, the whip on the other side was whipping up members in order to get them to filibuster this measure. The hon. member for Bonavista-Twillingate was quite right when he said that if we are going to be asked to sit long hours in connection with the business of the house, then an unusual length of time should not be taken up in discussing measures and particularly in a repetition of the speeches on these measures, such as has occurred here.

Mr. Pallett: Since the hon. member brought my name into this discussion, I may say that I feel after his demonstration last Saturday he is the last person who should indicate that the privileges of this house are being abused.

Mr. Horner (Acadia): I should like to speak for a minute to this point of order. It has been suggested that my speech was whipped up by the party whip. No whip ever came to me and asked me to speak on this subject or any other subject. I got up and spoke on this subject for 20 minutes without any notes. I was not making a repetitious speech. I referred to the need for an extension of the provisions of this measure. I corrected several frivolous errors made by the hon. member for Assiniboia. I referred to the need for greater loans on secondhand machinery, and no other member mentioned this topic. I spoke on a subject about which I have more knowledge than you or any other member sitting over there.

Mr. Pickersgill: I apologize very sincerely to the hon. member for Acadia.

Mr. Bell (Saint John-Albert): Don't let it happen again.

Mr. Pickersgill: I apologize very sincerely to the hon. member. I am sure that the hon. member needs no coaching from anyone in this house, and I exonerate the whip from having coached the hon. member for Acadia.

Mr. Kindt: My intervention may incur the wrath of the hon. member for Laurier and the hon. member for Bonavista-Twillingate, but if they will bear with me for a few minutes I promise not to delay matters much longer.

Mr. Chevrier: No longer.

Mr. Kindt: I should like to add to the discussion of this topic because, like the hon. member who spoke before me, this subject is dear to my heart. I have used farm improvement loans many times. I am familiar with the work performed by this measure. I want to say that it is doing a grand job in the farming areas of western Canada.

I should like to add a word or two on the need for a greater amount of intermediate credit. The period of the loan should be extended perhaps by a year or two. In other words, the great need of the farm population is intermediate credit. On many occasions bank managers who make loans are inclined to squeeze down the period of repayment of the loan and to make it too short for the farmer to make a return on his operations and repay the loan. I would suggest that if there is one thing the Minister of Finance might take up with the banks, it would be the lengthening of the period of repayment of the loans in order to cope adequately with the need for intermediate credit.

There is one other point I should like to make. The regulations which are written by the farm improvement loan administration contain a provision permitting the bank manager to make loans for the purchase of new buildings. Further along in the same regulations there is a provision which permits bank managers to make loans for the purchase of secondhand buildings. These two provisions are set apart in the regulations. I found in one instance that a mistake had been made by one of the banks in that they turned down the request of a farmer for a loan to purchase a secondhand building. At Claresholm, Alberta, several buildings were offered for sale by the Crown Assets Disposal Corporation. The bank manager in one nearby town turned down a request for a loan simply because he did not read far enough in the regulations to ascertain that a loan could be made under a later section in the regulations.

My only purpose in mentioning this incident is to make a constructive suggestion to the Minister of Finance. When the regulations are rewritten, it would be helpful to have a cross reference on these two particular sections, the one dealing with authority to purchase new buildings and the other dealing with authority to purchase secondhand buildings. These two sections should be brought together by some kind of cross reference in order to avoid the possibility of bank managers making mistakes. I thought I should take up the matter with the Minister of Finance because this cross reference would make a very worth-while addition to any new regulations issued for the guidance of bank managers.

In closing, I want to say that I heartily support the measure which is now before the committee. I feel that one of the finest things this government can do is to increase the amount available for lending under the Farm Improvement Loans Act.

Mr. Smallwood: I shall try not to make too long an outburst at this time, but I should like to spend a few minutes, with the permission of the hon. member for Laurier and the hon. member for Bonavista-Twillingate, in speaking to this measure. This act has proven quite successful in my community. The farmers are using the farm improvement loans to a great extent. They are not having any trouble with the bank. We see the machinery companies charging 11 per cent interest. In most instances when farmers go to these machinery companies their credit is not too good at the banks.

We must admit that we are handling a great deal of the people's money because the government is guaranteeing these loans to the banks. It is the bank's responsibility, therefore, to see that they obtain good security before making these loans. In some parts of the province the farmers use the improvement loan to buy cattle. Then, when they have used the loan to buy cattle they find that they need some new machinery. They buy this through the machinery company and they have to pay a high rate of interest. Thank goodness we are living in a free country. It is the farmer's business whether or not he wants to buy his machinery through these machinery companies and pay a high rate of interest. Some people would like to dictate to us in this country and tell us what we should do. We do not want that to take place.

These farmers who use the credit made available by the machinery companies are also protected by life insurance. There is one instance in particular of which I know where the farmer had bought machinery through the credit of the implement company. Even before taking delivery of the combine he was seized with a heart attack. However, through borrowing money in this way his combine was completely paid for and the wife did not have that debt hanging over her head. On the other hand, if the money had been borrowed through the bank she would have been responsible for this liability. I heard the thought mentioned tonight that the provisions of the act should be extended to buying cattle. I understand from the minister and his assistant that this is the case now. I am quite sure that the farmer can buy livestock today with a farm improvement loan.

I do not want to take any more time of the committee tonight. I would say to the minister that this is a very good legislation and that I am sure that it will be appreciated by the farmers of Canada.

Mr. McIntosh: Like those who have spoken previously, I do not want to take too much of the time of the committee tonight. However, I have a few questions that I should like to put to the minister with regard to the mechanics of this act. First I should like to ask the minister what the percentage is of the yearly loss on loans made under the Farm Improvement Loans Act. Has the fund actually cost the people of Canada any money or is the percentage and so on sufficient to carry any losses that have been incurred on the part of the banks? What is the percentage of repossessions? What is the disposition of the balance of the amount owing to the bank? Another question is this. What are the mechanics of the payment from the government to the bank in the case of a bad loan? Is only 10 per cent of the balance paid by the government of Canada or is the entire balance paid by the government of Canada? In the case of a bad loan, what happens when there is a compromise offered by an estate or a brother who may want to take over a loan from one of the family who through illness or some other reason cannot carry on with the commitment? Is there any provision in the act whereby a compromise can be entertained by the bank or by the government? I think those are some of the questions that some of the farmers want answered.

Mr. Winkler: I have one matter to bring before the committee on the introduction of this resolution with regard to the Farm Improvement Loans Act. While I am on my feet I should also like to state that I believe the restrictions in the terms of the act should be lessened somewhat. I am thinking particularly of the younger people in my area who wish to go on a farm but who find it necessary to become involved in other occupations until such time as they are eligible for this type of support or other loans that may be available to them. I think a broadening of the basis of such loans is warranted because of the record of these payments. When one considers the insignificant amount of money that is lost in the lending process under the act, namely one tenth of 1 per cent. I think the minister could take a broader look at the terms and assist the type of person to which I have made reference.

There is one other important point in relation to these loans which I think should be mentioned. Through experience of the last few years I have seen instances in which the farmer has become indebted through one of these loans on the purchase of machinery and has sustained loss by reason of a fire on his property. In many cases, if his ability to earn money on the farm is greatly limited or restricted, he will not of his own accord procure insurance in order to cover that machinery which has been purchased. Consequently when such a loss is sustained by him, it is

multiplied owing to the fact that he has not seen fit to pay for insurance on this equipment.

I think the minister might also take a look at the possibility of requiring insurance to be placed on such machinery when the loan is made at the bank. On looking at the record of the act over the years, one can see that, having regard to the amount of money that has been loaned, the loss through default has been low. As I stated, the record of repayment is one which I stress again. It has been such that I think the minister might consider broadening the basis on which loans are made particularly, as I have stated, to younger farmers and as a previous speaker pointed out, on the basis of loans for livestock. The risk is very small and it would put a substantial number of these younger farmers on a much more independent basis.

The Chairman: Shall the resolution carry?

Some hon. Members: Carried.

The Chairman: Shall I report the resolution?

Resolution reported and concurred in.

Mr. Fleming (Eglinton) thereupon moved for leave to introduce Bill No. C-95, to amend the Farm Improvement Loans Act.

Motion agreed to and bill read the first time.

Mr. Deputy Speaker: When shall the said bill be read a second time? Next sitting of the house.

Mr. Fleming (Eglinton): I wonder whether the house would consider giving second reading to this measure now. The bill changes only one word in the act. It changes the word "three" in section 5 (d) of the act to "four". That is the only change made by the bill in the act.

Mr. Chevrier: We have no objection.

Mr. Argue: Agreed, Mr. Speaker.

Mr. Deputy Speaker: When shall the said bill be read a second time? By unanimous consent, now.

Mr. Fleming (Eglinton) moved the second reading of the bill.

Motion agreed to, bill read the second time, considered in committee and reported.

Mr. Deputy Speaker: When shall the said bill be read a third time?

Some hon. Members: Now.

Some hon. Members: Next sitting of the house.

Mr. Pickersgill: Next sitting of the house. We want to hear the Minister of Veterans Affairs (Mr. Churchill).

WAR VETERANS ALLOWANCE ACT

AMENDMENTS TO INCREASE RATES OF ALLOWANCES AND INCOME CEILINGS, ETC.

Hon. Gordon Churchill (Minister of Veterans Affairs) moved that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to amend the War Veterans Allowance Act, 1952, to increase the monthly rates of allowances and permissible income ceilings; to allow for further exemptions in property and income; to modify certain conditions of service eligibility; to allow for administrative and organizational changes within the board and to provide for certain further changes in connection with the administration of the act.

Motion agreed to and the house went into committee, Mr. Flynn in the chair.

Mr. Churchill: Mr. Chairman, with only five minutes to go, according to the clock which is opposite me, I wonder whether the committee would prefer to rise, report progress and consider this resolution tomorrow.

Some hon. Members: Go ahead.

Mr. Pickersgill: No, go ahead.

Mr. Churchill: I appreciate the interest of all hon. members—

Mr. Fulton: Also their courtesy.

Mr. Churchill: —in legislation of this importance which affects so many veterans across Canada. In the fall of 1957, when certain major changes were being made in the War Veterans Allowance Act, I noticed that the house took about two days discussing the resolution stage, and then a considerable time on second reading. I presume that with a measure of this importance a somewhat similar course of action will be followed this year.

The reason is obvious. There is no hon. member of the House of Commons who is not interested in the problems that affect war veterans. Every province in Canada has its quota of war veterans and there is a great deal of interest by the public generally in the care and attention which is provided by the parliament of Canada for the veterans of former wars.

The War Veterans Allowance Act has been in effect since the year 1930. It was brought in at that time in recognition of something that was known to veterans of the first world war, of the South African war and of the northwest rebellion of 1885, that many men who served in the campaigns of those wars, although not wounded and not eligible for

pension, nevertheless as a result of the hardships they underwent and the exposure to the elements suffered in a way which made it difficult for them in later years to re-establish themselves effectively in society and to continue to earn a living.

Experience has shown that when veterans who have undergone campaigns have reached the age of 60 years or thereabouts they may enter upon rather difficult times whether or not they have been wounded. Therefore the legislation introduced in 1930 was designed to provide some assistance to veterans in that particular category.

During the 30 years this act has been in operation 158,867 veterans and 28,075 widows and orphans have been given assistance. At the present time there are 47,204 veterans on the roll and 19,266 dependents.

The annual charge has risen over the years. I spoke on this subject in the House of Commons on March 7, 1955. At that time I reviewed the number of people who were on the war veterans allowance roll. At that particular period the sum of money that was voted by parliament was close to $27 million. Over the years it has increased and in the fiscal year 1956-57 the annual charge was, in round figures, $41 million. In the fiscal year 1959-60 the charge was $57 million.

This gives hon. members an indication of the cost of war veterans allowance over the years and as I continue my remarks tomorrow I will give further details concerning the background of this very useful legislation. I do not know of any piece of legislation apart from the Disabled Persons Act which is more acceptable to veterans across Canada.

Mr. Chairman, may I call it 10.30.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Chevrier: In welcoming the Minister of Veterans Affairs back from the by-election perhaps I could ask him to indicate what the business is for tomorrow.

I think, we have assisted him tremendously today in reducing the order paper substantially. I wonder what business there will be for tomorrow by way of legislation. I take it that the estimates which were announced in the minister's absence for Wednesday and the remaining part of the week remain as announced.

Mr. Churchill: I thank the hon. member for Laurier for welcoming me back, and I hope he recalls his colleague, the hon. member for Kenora-Rainy River, to the house.

Mr. Pickersgill: Well, the budget is not until June.

Mr. Churchill: Tomorrow we will have third reading of Bill No. C-89, which was dealt with today, an act to amend the Criminal Code, and third reading of the bill based on the resolution which passed the house a few minutes ago amending the Freight Rates Reduction Act.

That will be followed by second reading of—

Mr. Chevrier: Second reading of the bill concerning the Freight Rates Reduction Act?

Mr. Churchill: Yes, second reading of the bill dealing with the Freight Rates Reduction Act; then second reading of the bill based on the amendment to the Canadian National Railways Act. This will be followed by the resolution in my name dealing with amendments to the War Veterans Allowance Act.

On Wednesday and the following days we will carry on with the estimates of the Department of Transport as announced.

Mr. Chevrier: Did the minister forget third reading of the Farm Improvement Loans Act?

An hon. Member: No, he mentioned it.

Mr. Pickersgill: No, he did not.

Mr. Chevrier: No, he did not. Try again.

Mr. Churchill: Perhaps I made a mistake in reading. I should have said, third reading of the bill, with reference to the resolution we dealt with a little while ago, amending the Farm Improvement Loans Act, and then second reading of the bill concerning the Freight Rates Reduction Act.

At 10.30 p.m. the house adjourned, without question put, pursuant to special order.

ANSWER TO QUESTION

The following answer, deposited with the Clerk of the house, is printed in the official report of debates pursuant to standing order 39:

C.M.H.C. MORTGAGES

Question No. 213—**Mr. Regier:**

1. What was the total amount of estimated unpaid principal on marketable first mortgages held by Central Mortgage and Housing Corporation as of March 31, 1961?

2. What was the total amount of estimated unpaid principal on non-marketable first mortgages held by Central Mortgage and Housing Corporation as of March 31, 1961?

3. Of the unpaid principal of these marketable mortgages, what amounts called for what percentage of interest charges?

4. When Central Mortgage and Housing Corporation sells its interest in a mortgage to another party, does the realization on unpaid principal accrue to the C.M.H.C. for reinvestment or other purposes, or must it be paid back to the consolidated revenue fund of the federal government?

5. Would the Bank of Canada be entitled to purchase above-mentioned securities directly from C.M.H.C.?

6. Would the chartered banks of Canada be entitled to purchase above-mentioned securities directly from C.M.H.C.?

Answer by: **Hon. D. J. Walker (Minister of Public Works):**

1. The National Housing Act provides that Central Mortgage and Housing Corporation may sell any obligation to the corporation that is secured by a first mortgage and may, pursuant to an agreement made with the purchaser, continue to administer the obligation. All of the corporation's mortgage assets in the amount of $1,389,591,580 are therefore marketable.

2. For the time being it is not intended to sell mortgages relating to limited dividend loans, rental guarantee loans, primary industry loans, or the corporation's share of joint loans made under previous national housing acts. The total amount of unpaid principal on these loans is $404,456,018, including unpaid principal on loans not yet fully advanced.

3.

4½ per cent	$ 12,446,709
5 per cent	16,841,007
5¼ per cent	25,496,145
5½ per cent	20,090,769
6 per cent	812,030,784
6¾ per cent	98,230,148
Total	$985,135,562

4. By arrangement with the Department of Finance in the light of the current money market, the proceeds of the sale of mortgages will be used by C.M.H.C. either to make new loans or to retire the corporation's indebtedness to the government.

5. The Bank of Canada does not believe it has the statutory power to purchase insured mortgages from Central Mortgage and Housing Corporation.

6. The question of whether an insured mortgage is a proper security for investment by an approved lender depends upon the statutes governing such approved lenders. However, as far as Central Mortgage and Housing Corporation is concerned, the National Housing Act authorizes the corporation to sell insured loans to anyone.

HOUSE OF COMMONS

Tuesday, May 16, 1961

The house met at 11 a.m.

COAL

CAPE BRETON—REQUEST FOR REPORT ON OTTAWA MEETING

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister if he can advise the house whether any proposals emerged from the conferences held in Ottawa on Friday last and yesterday which would have the effect of avoiding the closure of three Cape Breton collieries.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I think it might be wise to await the return of the Minister of National Revenue, the minister from Nova Scotia, who is laid up today. I hope he will be available tomorrow and the question will then be taken as notice and answered in detail.

Mr. Pearson: A supplementary question, Mr. Speaker, which might also be taken as notice and dealt with by the minister tomorrow. Is it a fact, as reported in the press, that the federal government is preparing to accept the cost of keeping the mines open if the coal company should agree to such a course?

CAPE BRETON—REQUEST FOR INCREASED WELFARE BENEFITS FOR MINERS

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. In view of the reports of destitution among miners and their families caused by cutbacks in the Nova Scotia mines, has the government given consideration to a recent resolution from the mayor and council of New Waterford, Nova Scotia, as well as from the local of the united mine workers, calling for increased welfare benefits to the miners?

Hon. J. W. Monteith (Minister of National Health and Welfare): I have had no indication of this, Mr. Speaker.

Mr. Argue: Is the government giving consideration to increasing its proportion of welfare benefits that are being paid?

Mr. Monteith (Perth): Mr. Speaker, the hon. member undoubtedly well knows that under the Unemployment Assistance Act the federal government stands ready to pay half of any subsistence payments in welfare matters.

Mr. Argue: No consideration has been given to increasing the federal government's proportion?

Mr. Monteith (Perth): Any time there is any change in this respect, Mr. Speaker, the house will be so informed.

UNITED NATIONS

ANGOLA—ESTABLISHMENT OF COMMITTEE OF INQUIRY

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I wish to direct a question to the Prime Minister. In view of reported genocidal measures in Angola, I wonder whether the Prime Minister could report on the delay in the establishment of the United Nations five nation committee of inquiry into Angola.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I think the hon. member asked a question on this matter the other day. I referred to the fact, as the hon. member knows, that action was taken by the United Nations some three weeks ago. I shall make inquiries to ascertain the reason for the delay.

Mr. Argue: A supplementary question, Mr. Speaker. Can the Prime Minister say whether Canada has been approached to act on this committee?

Mr. Diefenbaker: I do not have that information at the moment, but I shall make inquiries and report to the house as soon as possible.

NORTHERN AFFAIRS

REPORTED PROHIBITION AGAINST FRATERNIZATION WITH NATIVES

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I wish to direct a question to the Minister of Northern Affairs and National Resources, notice of which has been given. Can the minister inform the house whether clauses which prohibit fraternization or association with Indian or Eskimo people are placed at the insistence of the government in the contracts

of employment between employees and companies which hold contracts with the Department of Northern Affairs and National Resources?

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, the answer to this question is no. Perhaps I should leave it at that stage except to indicate that so far as I know there is no restriction imposed at the request of the government on any of the people working in the north.

Mr. Howard: A supplementary question, Mr. Speaker. Does the minister not feel there is a conflict between such clauses in contracts of employment and the bill of rights?

Mr. Speaker: I think perhaps the hon. member is asking for an expression of opinion on the interpretation of statutes, which would be out of place at this time of day.

AGRICULTURE

MARITIME PROVINCES—STATEMENT ON AID TO POTATO GROWERS

On the orders of the day:

Hon. D. S. Harkness (Acting Minister of Agriculture): Mr. Speaker, yesterday as reported at page 4807 of *Hansard* the hon. member for Bonavista-Twillingate asked a question in these words:

—I wonder whether—the government has any definite plans to provide relief to potato growers in the maritime provinces, who have suffered losses owing to rot.

I presume that the circumstance to which the hon. member had reference was the abnormal loss suffered by some potato growers in Prince Edward Island last season due to a fungus infection known as fusarium rot. The province of Prince Edward Island has proposed that the provincial and federal governments should share jointly in providing some measure of compensation to those who suffered abnormal losses. This is at present under consideration.

BUSINESS OF THE HOUSE

CRIMINAL CODE AMENDMENTS RESPECTING SMALL FIREARMS

On the orders of the day:

Mr. J. P. Deschatelets (Maisonneuve-Rosemont): Mr. Speaker, I should like to direct a question to the Minister of Justice. Pursuant to the introduction of Bill No. C-92, would the minister kindly say whether we can expect at this session the introduction of a bill dealing with amendments to the Criminal Code in respect of small firearms?

[Mr. Howard.]

Hon. E. D. Fulton (Minister of Justice): Mr. Speaker, I do not think I will be in a position to introduce amendments relating to this matter at this session. There are discussions and studies under way at the moment concerning the whole question of the control of firearms, but I do not expect they will be completed in time to make possible the introduction of amendments at this session.

INTRODUCTION OF AMENDMENTS TO IMMIGRATION ACT

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): I should like to ask the Minister of Citizenship and Immigration this question. In view of the fact that there is almost nothing left on the order paper under government orders, does not the hon. lady think this would be an appropriate time to introduce the revised immigration act promised four years ago?

Hon. Ellen L. Fairclough (Minister of Citizenship and Immigration): Mr. Speaker, when the act is ready for presentation it will be made available to the house.

EXPROPRIATION ACT—INQUIRY AS TO AMENDMENTS THIS SESSION

On the orders of the day:

Mr. Jean Richard (Ottawa East): Mr. Speaker, I should like to address a question to the Minister of Justice. Is it the government's intention to introduce a bill this session regarding the Expropriation Act?

Hon. E. D. Fulton (Minister of Justice): I think that matter will have to await determination on the basis of progress made in dealing with the business of the session.

EXTERNAL AFFAIRS

CUBA—INQUIRY AS TO SAFETY OF CANADIAN MISSIONARIES

On the orders of the day:

Mr. J. A. McGrath (St. John's East): Mr. Speaker, I have a question for the Prime Minister. Has he any information additional to that which he gave to the house yesterday with regard to the plight of Canadian missionaries, priests and nuns in Cuba?

Right Hon. J. G. Diefenbaker (Prime Minister): Yesterday I intimated that there might be something to be expected in that connection. Today I am able to advise the house that 63 Canadian Roman Catholic priests and nuns, who have been engaged in educational work and have had to discontinue this work in Cuba, are returning to Canada and will be arriving late this afternoon.

LABOUR CONDITIONS

INDUSTRIAL DISPUTES—NOTIFICATION OF APPLICANTS REFERRED BY EMPLOYMENT OFFICES

On the orders of the day:

Mr. Walter Pitman (Peterborough): Mr. Speaker, I should like to direct a question to the Minister of Labour arising from incomplete reports. Can the Minister of Labour assure the house that national employment service officials in Long Branch are fully informing applicants for employment at the Trane company that this company is on strike?

Hon. Michael Starr (Minister of Labour): Any workers who are referred are advised verbally that the employment is affected by an industrial dispute, and their referral slips are also stamped to this effect. This is a policy which we adopt, and it is the practice right across Canada in all our offices.

HOUSING

C.M.H.C.—RECRUITMENT OF PERSONNEL IN U.K.

On the orders of the day:

Hon. D. J. Walker (Minister of Public Works): Mr. Speaker, on Friday's orders of the day the hon. member for Nipissing asked if it is customary or necessary to pay the passage of the people recruited abroad. This question was in connection with C.M.H.C. getting town planners after failure to do so through advertising and through the national employment agency in Canada over a period of two years.

The answer to this question is yes; it is customary for an organization seeking specialized help to use as an incentive an offer to pay the passage of an applicant and his family to the place of employment. It is proposed to have the corporation's chief architect and planner travel to Europe to conduct the interviews.

HARBOURS

GROS-CACOUNA, QUE.—STATEMENT ON RESOLUTION RESPECTING DEVELOPMENT

On the orders of the day:

Hon. D. J. Walker (Minister of Public Works): In reply to the hon. member for Levis in connection with his request to be notified whether or not a resolution from Riviere du Loup had been received by me, may I say the answer is no; we have had no recent resolution. However, a large and representative delegation came from Riviere du Loup on April 11 last and made strong representations on behalf of the Gros-Cacouna port development.

This is a very large project involving $2 million to $3 million, and at present we are studying the engineering and economic aspects. Until these studies are completed I cannot say what the answer will be.

PUBLIC SERVICE

POSTAL EMPLOYEES—REPORTED COMMENT BY MINISTER ON AUTOMATION

On the orders of the day:

Mr. Azellus Denis (St. Denis): Mr. Speaker, may I direct a question to the Postmaster General. In this morning's *Gazette* it is reported that at a luncheon he said that automation would not cut down the number of employees nor limit their use. Will the Postmaster General explain to the house what is the use of automation, if it does not cut down the number of employees or limit their use?

Hon. W. M. Hamilton (Postmaster General): The use of automation, Mr. Speaker, is to enable us to handle the ever increasing volume of mail with the same size staff and to increase our efficiency in the handling of it, as is obvious to almost every Canadian except one.

Mr. Denis: I have a supplementary question. Am I to understand that the Postmaster General means there will be no additional employees in the Post Office? Also, does he mean that prior to automation there was no efficiency in the department?

Mr. Hamilton (Notre Dame de Grace): Mr. Speaker, there has been an ever increasing degree of efficiency in the department since June 26, 1957.

Mr. Pickersgill: The right date is June 21.

Mr. Hamilton (Notre Dame de Grace): The remainder of the question might well have been dealt with under our estimates, if the hon. member had only had the imagination to do so at that time.

Mr. Denis: I have a supplementary question.

Mr. Speaker: Order. I recognize the hon. member for Skeena.

POSTAL EMPLOYEES—NIGHT SHIFTS AT CITY POST OFFICES

On the orders of the day:

Mr. J. T. Richard (Ottawa East): I wish to direct a question to the Postmaster General. Is the hon. gentleman in a position to announce whether the night shifts at city post offices will be selected in accordance with seniority upon a vote being taken by the employees?

Inquiries of the Ministry

Hon. W. M. Hamilton (Postmaster General): Not at this time, Mr. Speaker.

PARLIAMENT HILL

REQUEST THAT UP TO DATE UNITED STATES FLAGS BE FLOWN

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I wonder whether I might direct a question to the Minister of Public Works, and ask the minister whether he is aware of the fact that the United States of America comprise more than 48 states at the moment, and whether he could undertake to bring the United States flags that are flying around the hill today in line with the present day conditions.

(Translation):

CANADIAN NATIONAL RAILWAYS

MONTREAL—USE OF LAND FOR HIGHWAY PURPOSES

On the orders of the day:

Mr. H. Pit Lessard (St. Henry): Mr. Speaker, I should like to direct a question to the Minister of Transport.

Has the minister received representations from the authorities of the city of Montreal concerning the use of C.N.R. properties along the harbour of Montreal, for the construction of an east-west elevated roadway?

If so, has a decision been taken?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, when I went to Montreal, about two months ago, I discussed this matter with the municipal authorities of Montreal and we agreed that they would send me a brief and other documents in that connection. I could not say right now if that brief has reached my office but I expect it any day now.

[*Later:*]

Mr. Lessard: Mr. Speaker, could I put a supplementary question to the Minister of Transport?

Could the minister check whether he has received a report from the city of Montreal and inform the house later on?

Mr. Balcer: Certainly, Mr. Speaker.

(Text):

LAY-OFFS DURING PAST FORTNIGHT

On the orders of the day:

Hon. Paul Hellyer (Trinity): I wish to address a question to the Minister of Transport. If the hon. gentleman is not in a position to answer it this morning, perhaps he will take it as notice. Can the minister say how many employees of the Canadian National Railways have been laid off during the last two week period?

Some hon. Members: Order paper.

Hon. Leon Balcer (Minister of Transport): I am not in a position to answer that question.

Mr. Hellyer: Would the minister take it as notice, because I understand there have been a number of people laid off since the settlement of the dispute with the non-operating unions.

Mr. Balcer: Similar questions appear on the order paper from time to time, and we endeavour to answer them diligently. We shall do the same in this case if we are asked.

HUMAN RIGHTS

CALGARY—REPORTED DISMISSAL OF MISS VALERIE SMITH

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I should like to direct a question to the Minister of Justice arising out of a press report that a Calgary firm, Midwest Surveys, has dismissed an employee, Miss Valerie Smith, because of a speech she made in which she praised certain aspects of the present Cuban regime. Could the minister say whether the bill of rights protects employees from being fired merely because—

Mr. Speaker: Order.

Some hon. Members: Sit down.

Mr. Speaker: Order. The hon. member is dealing with the employment of an individual by a private firm, which is not an administrative responsibility of any minister as far as I am aware. The latter part of the hon. member's question relates to the enforcement of justice, which is under provincial jurisdiction. Therefore I do not think the hon. member is entitled to pursue the matter.

Mr. Argue: Mr. Speaker, can I take it from your remarks that the bill of rights does not cover such a situation?

Some hon. Members: Order.

Some hon. Members: Sit down.

Mr. Speaker: Order.

Mr. Argue: I should like to put another question, if I may—

Mr. Speaker: Order. I recognize the hon. member for St. Henry (Mr. Lessard).

[*Later:*]

Mr. Argue: I should like to put a question to the Minister of Justice. Can the minister

say whether the government has given consideration to the introduction of an amendment to the Criminal Code which would make it an offence under the code for an employer to dismiss an employee because of a political opinion?

Hon. E. D. Fulton (Minister of Justice): The government's position with regard to this matter was amply demonstrated when on July 1 of last year the Prime Minister introduced the Canadian bill of rights which parliament adopted that year.

Mr. Argue: Can I take it from the minister's announcement that there is no intention to provide any protection for a person who has been arbitrarily dismissed, as in this case.

Mr. Fulton: The bill of rights is now in force. What the hon. member is really seeking to do is to ask me for a legal opinion as to its effect. Other members of the house know, if he does not, that that is not in order.

POST OFFICE DEPARTMENT

REPORTED OFFER TO ADVISE ON SETTING UP MAIL ROOMS

On the orders of the day:

Mr. Azellus Denis (St. Denis): Mr. Speaker, may I direct a question to the Postmaster General. According to this morning's Montreal *Gazette* the Postmaster General is reported as having said that the Post Office was prepared to offer, free of charge, advice on the setting up and manning of an efficient mail room. Is the Postmaster General in a position to explain this new curb service?

Mr. Speaker: Is the hon. member's question relating again to the speech of the Postmaster General?

Mr. Denis: This is a new policy announced in this morning's newspaper.

Mr. Speaker: I suggest it would be more appropriate to discuss the policies related to the Post Office during consideration of the estimates of the department.

Mr. Denis: Mr. Speaker, the estimates have been passed. This is a new policy just decided by the Postmaster General and reported in this morning's *Gazette*. I will have to wait until next year if I want some information on the estimates.

Hon. W. M. Hamilton (Postmaster General): Mr. Speaker, perhaps I might just clarify one point about this being a new policy, in the light of your ruling. The hon. member could have discussed it under the estimates at any time during the last four years it has been in operation, had he known about it. It has been widely publicized.

Inquiries of the Ministry

WATER RESOURCES

BOW LAKE, ONT.—REPORTED POLLUTION BY RADIOACTIVE WASTE

On the orders of the day:

Mr. Walter Pitman (Peterborough): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. Has the Minister of National Health and Welfare received representations from Mr. Hook regarding the radioactive pollution of Bow lake by mining interests, and can the minister assure the house that his department will take steps to end this situation immediately?

Hon. J. W. Monteith (Minister of National Health and Welfare): I received notice of the hon. member's intention to ask this question only a few moments before entering the house. I understand that a letter from this gentleman was received in the department yesterday. It is at the moment being studied by my department, and I shall be pleased to inform the hon. member what transpires.

TRADE

PROPOSED U.S. RESTRICTIONS ON TOURIST IMPORTS

On the orders of the day:

Mr. J. R. Garland (Nipissing): I wish to direct a question to the Minister of Finance based on a press report from Washington in this morning's *Globe and Mail* to the effect that the United States House of Representatives yesterday passed a bill reducing tourist allowances. I wonder if the minister can say whether Canadian representations on this subject are continuing?

Hon. Donald M. Fleming (Minister of Finance): I have not seen the announcement, but I take it that it indicates that the measure in question has been passed by one house only of the United States congress. The United States government is very well aware of the views of the Canadian government in this regard. I outlined last March the manner in which those views had been communicated to the representatives of the United States administration at the meeting in Washington on March 13 and 14 of the continuing joint committee on trade and economic affairs.

BRITISH COLUMBIA—REPORTED EXPORT OF PULP TO CUBA

On the orders of the day:

Mr. Frank Howard (Skeena): I should like to address a question to the Minister of Trade and Commerce or perhaps in his absence to the acting minister or to the Prime Minister, if he would care to answer it. My question

is based upon reports that three west coast pulp and paper firms, namely MacMillan and Bloedel Limited and Powell River Company, B. C. Forest Products and Columbia Cellulose Limited are exporting pulp to Cuba. Can one of the hon. gentlemen indicate whether any representations have been made to the government by either the United States government or the parent company of one of those companies with respect to those particular exports?

Hon. Gordon Churchill (Minister of Veterans Affairs): Mr. Speaker, the question will be taken as notice.

COMBINES

FISHERIES—INQUIRY AS TO PUBLICATION OF EVIDENCE

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): I wonder if I could put a question—a factual question—to the Minister of Justice, and ask him whether the matter of the publication of the evidence in the fisheries inquiry under the Combines Investigation Act is now before the courts.

Hon. E. D. Fulton (Minister of Justice): Yes, Mr. Speaker, by way of injunction proceedings. There have been a number of injunction applications dealing with this matter and all or most are being appealed. At one stage the supreme court of Ontario gave a strong judgment that these documents are completely private.

Mr. Frank Howard (Skeena): May I ask the Minister of Justice why he did not inform the house of this yesterday, rather than have to be assisted today by the hon. member for Bonavista-Twillingate.

Mr. Fulton: Mr. Speaker, to be quite frank, because it slipped my mind. It is only one of the many reasons why the hon. member's motions have been unacceptable.

IMMIGRATION

STATEMENT ON BORDER CROSSINGS BY UNDESIRABLE PERSONS

On the orders of the day:

Hon. Paul Hellyer (Trinity): Is the Minister of Citizenship and Immigration in a position to answer the question I asked, and which her parliamentary secretary took as notice, on May 4, 1961 respecting any steps the department may have taken to restrict border crossings by race track touts, bookmakers and others?

Hon. Ellen L. Fairclough (Minister of Citizenship and Immigration): I answered that question one day last week. If the hon. member will refer to page 4503 of *Hansard* of Monday, May 8, he will find the answer which was given to the house.

Mr. Hellyer: Thank you very much.

CRIMINAL CODE

AMENDMENTS RESPECTING LENGTH OF RACE MEETINGS AND NUMBER OF RACES

On the order:

Third reading of Bill No. C-89, an act to amend the Criminal Code (race meetings)—The Minister of Agriculture.

Mr. Speaker: Before I put this motion may I say that although the initials "E.F." do not appear opposite this bill or the subsequent bills, I am informed that all bills standing on the order paper have been printed and distributed in both English and French. Is the Minister of Justice moving the motion for the Minister of Agriculture?

Mr. Fulton: Yes.

Hon. E. D. Fulton (for the Minister of Agriculture) moved the third reading of Bill No. C-89, to amend the Criminal Code (race meetings).

Motion agreed to and bill read the third time and passed.

FARM IMPROVEMENT LOANS ACT

AMENDMENT TO INCREASE MAXIMUM AMOUNT OF BANK LOANS

Hon. Donald M. Fleming (Minister of Finance) moved the third reading of Bill No. C-95, to amend the Farm Improvement Loans Act.

Mr. Caron: Have you copies in both English and French?

Mr. Speaker: Yes, I am advised that that is so.

Motion agreed to and bill read the third time and passed.

FREIGHT RATES REDUCTION ACT

AMENDMENT EXTENDING APPLICATION OF REVISED RATES

Hon. Leon Balcer (Minister of Transport) moved the second reading of Bill No. C-93, to amend the Freight Rates Reduction Act.

He said: I have a few brief remarks to make. Quite an extensive study was given to the resolution that preceded this bill, and there is very little additional information I can give that was not given on the resolution.

As the house knows, the Freight Rates Reduction Act was passed in 1959. Its purpose was to alleviate the burden of the 17 per cent general freight rate increase authorized in

November, 1958. The rates to which the act applies are the normal class rates and commodity rates, excepting competitive rates, which were taking the 17 per cent increase on the day the act came into force.

Class rates are the maximum rates that the railways can charge. They apply to about 8,000 articles in the Canadian freight classification. The principal articles shipped at class rates are high class manufactured articles.

Commodity rates are lower than the class rates, and they apply on bulk commodities and other articles shipped in large quantities such as steel, sand and gravel, lumber, pulpwood, fruits and vegetables, ores, cement, wood pulp, newsprint paper, canned goods, sugar and so forth.

The reduction required by the act does not apply to subnormal rates which the railways have published because of competition, such as competitive rates and agreed charges. Neither does it apply to the statutory Crowsnest pass grain and flour rates, nor to international rates between Canada and the United States, nor to export and import traffic carried at rates in competition with United States ports.

The act made provision for the board of transport commissioners to require reductions to be made in the class and commodity rates, other than competitive rates, that were in effect and taking the 17 per cent increase on the day the act came into force. The reductions were to be effective during a period of not more than one year. Provision was made for payments not exceeding $20 million to reimburse the companies for the resulting reduction in their revenues.

The act came into force on July 8, 1959. The first reduction in the freight rates became effective on August 1, 1959, when the 17 per cent increase was reduced by 7 percentage points; in other words, it became 10 per cent instead of 17 per cent. In the following spring the board ordered a further reduction of two more percentage points, bringing the 17 per cent increase down to 8 per cent. It has remained at that level ever since.

The act was amended last year by extending the one year period of the reductions for another nine months and by increasing the $20 million by another $15 million, making a total of $35 million for the full 21 months.

The purpose of the amendment is to extend the provisions of the act for a further period not exceeding 12 months from April 30 last. The original bill and last year's amending bill were considered at length by the standing committee on railways, canals and telegraph lines of the house and also by the standing committee on transport and communications of the Senate. There is no change in the principle or purpose of the legislation at this time. What is proposed is a continuation of its provisions for a further period of 12 months. After the present discussion I propose to move that the bill be referred to the standing committee which I have mentioned.

Hon. Lionel Chevrier (Laurier): Mr. Speaker, yesterday there was a general discussion on the resolution to amend the Freight Rates Reduction Act, and I do not want to traverse the ground covered then. However, there are a number of things that remain to be said in connection with the bill now before the house.

In my view the bill divides itself into two parts. First, it authorizes the board of transport commissioners to make an order continuing the freight rates reduction which was authorized under an earlier act in 1960. Second, it attempts, although I doubt whether it succeeds, to make the rates retroactive. In so far as the shipper is concerned, I do not think there can be any doubt that the reduction is effective. In so far as the railways are concerned, I believe there is some doubt, and I should like the minister to clarify that position when we get to clause 1 of the bill.

My understanding of the situation is that the railways may, if they wish, file a tariff in reduction of rates, but that the board of transport commissioners cannot in any way make that tariff retroactive. That is why I said earlier that so far as the shipper is concerned the moment the railways file a tariff in reduction of rates or in continuation of a rate reduction, that position is covered, but I do not think that applies with respect to the board of transport commissioners. I said that I do not think they can either make a rate retroactive or payments retroactive, and on that point I should like to get some clarification later.

A question was also raised by the Leader of the Opposition in connection with the statement made by the Prime Minister, and there was no explanation given by the minister yesterday when he rose to reply on the resolution. I refer, of course, to the statement that appears in the Winnipeg *Free Press* of April 25, wherein the Prime Minister said that the subsidy would be retroactive, and I quote from this dispatch from Ottawa:

> **Prime Minister Diefenbaker said Friday legislation to extend the $20 million a year rollback subsidy on freight rates will be made retroactive to May 1 when it is passed by parliament.**

Then there is this significant passage:

> **He said the government notice given the commons earlier this week would act in the same way as a budget proposal which becomes effective when it is announced, subject to later parliamentary approval.**

Of course that is not the case, and I think the minister owes it to the house to deal with this matter. The notice referred to by the Prime Minister is certainly not in the nature of a budget proposal, nor has it the same effect, nor does it come into effect until both houses of parliament have approved the legislation and it has been proclaimed. Therefore I think the house is entitled to an explanation of that statement.

However, sir, I rose for another purpose this morning, namely to deal with some of the statements which were made yesterday during the course of the debate and particularly with a statement made by the minister which I will put on the record in a moment. During the course of the reply made by the minister the inference was left that while we were in office little or nothing was done in connection with this whole very serious matter of freight rate reduction and the freight rate structure. I quote what the minister said, as found on page 4836 of *Hansard*:

> I should just like to present certain figures at this time, which I am not pulling out of a hat, in respect of those figures quoted this afternoon. I suggest by looking at the varying proportions regarding freight rate increases we will then have a clearer picture in respect of which government is more concerned with the welfare of Canadian citizens as far as freight rates are concerned.
>
> Since 1945 freight rates have increased by 157 per cent. One hundred and forty per cent of this increase occurred during the time my hon. friend was a minister under the Liberal regime.

I pause here to state that while I am unable to verify the increase of 157 per cent I take it that perhaps it is correct, but I do make the statement that if freight rates have risen by that amount in Canada they have risen by a higher amount in the United States and by an equal amount in the United Kingdom. So, having regard to the kind of economy existing in those countries, there is not too much to—I am looking for a better word than "blow" about, because I do not want to inject a note of contention into the debate.

Mr. Argue: Oh, go ahead.

Mr. Chevrier: From the statement the minister made, and with which I am dealing now, I do not think there is too much for him to become exercised about, because the position is no better here than it is elsewhere. The minister went on to say:

> During the Conservative administration—that is during the last four years—the only increase which has been allowed was to the extent of 10 per cent, which was later reduced to 8 per cent. In other words, the total increase of 17½ per cent was originally decreased to 10 per cent, and then to 8 per cent. The government has also frozen all increases; this policy is still in effect. I suggest that this government has shown the people of Canada what it thought of the great burden of freight rates in various parts of the country. This government has looked into the matter seriously and has gone out of its way in an attempt to help the shippers of various regions of Canada, who have had to face these freight rate increases.

I should like to tell the minister that the former administration not only did what he said but went a great deal further. As I said earlier, from this statement of the minister the inference is created that little or nothing was done by the previous administration.

Mr. Balcer: Hear, hear.

Mr. Chevrier: I hear cries of "hear, hear" from the other side of the house. I should like to put on the record some of the things that were done. It would take too much time to go into them seriatim, but in the light of what was said yesterday and the fact that this is a debate on freight rates there are some general statements which I think deserve to be put on the record.

First of all, let me say that there were no increases in freight rates in this country for quite a long time. From 1903 until world war I there were no increases whatsoever in freight rates in Canada. The first general increase came in 1917. I need not tell the house what government was in office then. The increase amounted to 15 per cent. The second came one year later in 1918, and amounted to 25 per cent. It was made not by the board of transport commissioners but by a cabinet direction given to the board. An order in council was passed by the government of the day, which was a Conservative administration, directing the board of transport commissioners to increase freight rates to the extent of 25 per cent. In 1920, still under a Conservative administration, there was an increase of 40 per cent in the freight rates of this country following an application made by the railway association of Canada to the board of transport commissioners.

Then there was a change of administration. When the Liberal government took office the 40 per cent increase which had been approved in 1920 was reduced first by a 5 per cent decrease in 1921 and then by a 10 per cent decrease in the same year. This was followed by a further decrease on August 1, 1922 leaving, in respect of the 40 per cent increase, a net increase of 17½ per cent in eastern Canada and 12½ per cent in western Canada.

Turning now to another aspect of this question I wish to deal with the manner in which freight rates and the freight rate structure were dealt with in former years. I need hardly tell the house that the Crowsnest rates were established in 1897. They were perhaps the lowest grain rates in the world. They were so considered at the time and they have never been touched or tampered with, with

but one exception. There is some reference to those rates in the recommendations contained in the first volume of the report of the MacPherson commission. From the representations that were made to the royal commission by various groups all across Canada it is quite clear that even at this date, 64 years later, there is a jealous regard for those rates. There is, too, a general view, particularly in the prairie provinces, that they should not be touched.

In 1903 the Railway Act was enacted in this country. It established the board of transport commissioners, giving that board powers to deal with applications concerning freight rates. In 1924 there was inaugurated a freight rate investigation to determine whether it was possible to equalize freight rates in Canada. I bring to the attention of the house that in 1924 and even long before that, as I shall be able to show later on, there was an attempt in this country to equalize freight rates; so that when we are told in the house that the MacPherson commission on transportation is going to bring in a recommendation to equalize freight rates we should not become too excited over that because the board of transport commissioners, royal commissions and other investigations have over many years dealt with this very difficult and complex question of the equalization of freight rates.

In 1927 the then administration introduced the Maritime Freight Rates Act giving the benefit of a 20 per cent reduction in freight rates to the select maritime region. That has since been increased to 30 per cent under a Liberal regime.

From 1948 to 1950, over a series of various steps, the mountain differential was entirely removed. Following this, under an order in council known as P.C. 1487 the board of transport commissioners was authorized to make a thorough investigation into the rate structure of railways and railway companies with a view to the establishment of a fair and reasonable rate structure which would, under substantially similar circumstances and conditions, be equal in its application to all persons and localities so as to permit the freest possible interchange of commodities between various provinces and the extension of Canadian trade both foreign and domestic, having due regard to the needs of agriculture and other basic commodities.

In 1948 there was established by the former government a royal commission on transportation or, if you prefer to call it such, the Turgeon commission. That commission sat for a period of more than two years and brought in a very exhaustive report, one of the finest ever produced on the subject of freight rates, together with that of the Duff commission. The two, taken together, are historic documents which will stand out for many years to come, and which I submit have been a tremendous benefit to the railways, to the shippers and to the taxpayers of this country. I am not suggesting that the MacPherson commission will not bring in an equally good report, but the house will have to await the publication of the subsequent two volumes before an opinion can be expressed in that connection.

The Turgeon commission made an exhaustive study. It was made by a person who had devoted a great deal of his life to problems concerning western Canada, and who was praised for the recommendations contained in his report by the present Prime Minister when he sat on this side of the house as a private member. Finally in 1951 the then government accepted the recommendations of the Turgeon commission. All of them which had to do with freight rates, and many others incidental thereto, were brought into effect by way of legislation implementing those recommendations. It was stated at the time on both sides of the house that this was the most important and most forward looking piece of legislation having to do with freight rates ever introduced in the house.

What did this legislation do? First, it provided in accordance with the recommendations of the Turgeon commission for the payment of a subsidy of several million dollars to maintain the trackage through northern Ontario which serves as a link or bridge between certain points in northern Ontario. Second, it provided for a national freight rate policy as enacted in section 336 of the Railway Act. This was an over-all direction to the board of transport commissioners stating that every railway company, in the language of that section:

> —shall, so far as is reasonably possible, in respect of all freight traffic of the same description, and carried on or upon the like kind of cars or conveyances, passing over all lines or routes of the company in Canada, charge tolls to all persons at the same rate, whether by weight, mileage or otherwise.

This, of course, is subject to the exceptions mentioned in subsection 4 of section 336. This section was of tremendous benefit to western Canada. It provided for equalization of rates between the east and west, and also paved the way for equalization of certain commodities.

Another feature of this legislation was the one and one third rule which is contained in section 337 of the Railway Act. The legislation also provided for uniform classification of a system of accounts for the railways. The interstate commerce commission had led the way or had used this system for years; and

because, as the house knows, railways in Canada—the C.N.R., the C.P.R. and others—moved to points in the United States, it was felt by the royal commission that there should be a uniform method of accounting for these lines. The legislation provided for the filing of a competitive tariff before the board so that the board could go into such and such a rate and ascertain that it was bona fide and compensatory. It also provided for the recapitalization of the C.N.R. and other matters which it would take too long for me to go into at the present time.

Before I go on to another point I should like to acquaint the minister with the attitude taken by the opposition at that time. I do not know whether or not he was in the house then, but I believe he was. The opposition took a very negative attitude toward some of the measures that were brought forward, notwithstanding the fact that the present Prime Minister had declared that this report of the royal commission was an excellent one.

The opposition first of all sought to do away with the board of transport commissioners. When the estimates of the Department of Transport were up for consideration, the opposition moved that the item be reduced to $1. I will not mention the names of those who were prominent in that discussion. That attempt was not successful, of course, but it gave some indication of what was in the minds of the members of the opposition at that time. Not only did they move to reduce to $1 the estimates for the maintenance and operation of the board of transport commissioners, but they condemned the board of transport commissioners, and some of them would have done away with the board. It was said by them that the board was incompetent, that it was responsible for the state of confusion and chaos in which the country found itself, that it was not functioning as it should function, that it was not competent to assume its task. That language can be found at page 3121 of *Hansard* of June 2, 1950.

May I point out that this government has been in office now for four years. If it had wished to do so, it could have done something about the board of transport commissioners in those four years. The fact that it has maintained the board is evidence that the criticism made by it in the days when it was in opposition was futile and really of no use. In those days the opposition were opposed to the establishment of the royal commission. They fought the royal commission. They said a royal commission to deal with freight rates was useless. They said it was a complete waste of time. Although the provinces wanted a royal commission, the then leader of the opposition did not want one.

Mr. Pickersgill: What was the name of the leader of the opposition then?

Mr. Chevrier: Hon. Mr. Drew. He made statements declaring himself to be against a royal commission to deal with this all-important subject. However, because of the attitude taken by the provinces and by most of the responsible groups in Canada, the Conservative party changed its attitude and at its convention passed a resolution demanding a royal commission, thereby overruling its leader. There was in those days in the opposition, as there is today in the government, evidence of confusion and of party members running in two directions at the same time. We have had examples of that situation, and we certainly have had an example of confusion and chaos in connection with this whole problem.

A great deal has been said about horizontal increases in freight rates and about their unjust, unfair, and inequitable impact upon all parts of Canada. With regard to that statement there can be no objection or no complaint. That is a fact. When freight rates are raised horizontally they are bound to create inequity in certain parts of Canada that are far away from markets. However, that is not a new position. That position has existed in this country for many years. That position was dealt with by the royal commission on transportation headed by Mr. Turgeon.

The Prime Minister has indicated that when the MacPherson royal commission hands down its report, a formula will be found whereby freight rates across Canada can be equalized and therefore the impact of horizontal increases in rates can be minimized or made to disappear entirely, thus by inference leading us to believe that no previous attempt has been made at equalization. I want to correct that suggestion. I should like to put on record what Mr. Justice Turgeon had to say in his royal commission report in 1951. At page 50, in chapter 2, under the heading "Horizontal Increases", we find the following:

> The method of applying a uniform percentage increase to all rates is known as the "horizontal percentage increase".
>
> The seven provinces which opposed the 30 per cent and 20 per cent increase applications before the board from 1946 to 1950 and attacked the horizontal increase method continued their attack before this commission.

It can thus be seen that the matter of horizontal increases is not a new one. I continue the quotation:

> Many submissions were made criticizing this method and asserting that it works great hardship upon shippers in the provinces subject to long haul on their traffic.

Then the commissioner goes on to give examples of horizontal increases in freight

rates. Then at page 52, under the heading "Treatment of the Subject by the Duncan Commission", I find the following:

The following excerpts from the report of the Duncan commission seem to indicate the importance of this subject.

In the report which was made in September 1926 appear the following statements:

"Incidence of horizontal war increases"

"There is one further very important feature of the railway situation as it affects the maritimes, which calls for special attention. In one sense it is connected with the problems that we have been discussing, but its immediate incidence is not so interconnected with the general problem as to make it impossible to deal with it separately. Indeed the reaction of the burden which it imposes is so great that, in our view, it should be dealt with as a special problem. We refer to the system under which, during the late war, flat percentage increases (known as horizontal increases) were added to railway rates."

I refer to that passage in passing simply in order to show that as far back as 1926 the Duncan commission took cognizance of this matter. The chief commissioner goes on at some length to deal with the manner in which this question is handled in the United States, and I shall not refer to that matter. However, he draws a number of interesting conclusions which I should like to put on the record now. First, he states at page 61 of the report:

Applications for uniform horizontal increases to all freight tolls assume that all freight can, under all conditions, bear an equal burden of increase. This is an incorrect assumption.

2. Horizontal increases, although preserving rate relationships percentagewise, disturb them in cents per 100 pounds (or other unit) in so far as shippers and consignees are concerned, and this is of much importance to them.

3. Horizontal increases aggravate the disadvantage already suffered by long haul shippers and consignees.

4. The remedy does not lie in the prohibition, statutory or other, of horizontal increases, but is in the hands of the railways themselves. The railways should make studies of traffic conditions in all their bearings and should present to the board (in accordance with the foregoing precedents) proposals showing not only their maximum percentage increase requirement, but also, among other particulars, varying percentage increases on different commodities, flat, instead of percentage increases when these are more suitable, and maxima in appropriate cases in cents per 100 pounds or other unit. Special attention should be given to long haul traffic and to rates on basic (or primary) commodities. The railways should be in a position to do this especially in the light of new statistical procedures. But if the railways do not approach the task in this way, it ought to be the duty of the board to see that they do so. Presumably an examination of the "waybill study" undertaken by the board will help to provide it with the requisite "reliable traffic statistics" which it stated were lacking in the 30 per cent applications.

Finally the commissioner concludes by saying that legislative enactments to deal with this are not necessary. At this stage I should like to show what was done by the board of transport commissioners following that recommendation and following the legislation which was introduced in the house by the former administration to equalize freight rates across this country.

I mentioned earlier that under order in council P.C. 1487 the government had directed the board of transport commissioners to conduct an investigation into the whole subject of equalization. The first thing the board of transport commissioners did to comply with that recommendation was to ask the railways to make an analysis of the waybill, that is, a waybill study. As the house knows, there are some 65,000 or more different freight rates in Canada. Before it was possible for anybody, let alone the board of transport commissioners, to study this problem it was necessary to make a study and an analysis of the waybill. This the board of transport commissioners did, and they made an interim report on the equalization of freight rates which is dated Ottawa, March 25, 1955.

This report refers to the order in council which established the board to deal with the matter. It refers to section 336, which established the national freight policy in Canada. I should like to read this short paragraph from page 4 of the report:

The board completed the first phase of the equalization of freight rates on March 1, 1955, by establishing on that date a new freight classification and a new scheme of "class" rates applied in connection with that classification, and the present therefore appears to be an appropriate time at which to make an interim report in the matter of equalization generally.

Then it goes on to deal in detail with what had been done. I think it can be summed up by this sentence at page 17:

—it has been possible within two years to evolve finally a class rate scale which was thought worthy of being put into effect and subjected to the test of experience.

There then came a further report which is dated September 23, 1957 and which is signed by Clarence D. Shepard, the chief commissioner. I should have said that the earlier report dated March 25, 1955 was under the signature of the then chief commissioner, Mr. Justice Kearney. Page 1 of the report of 1957 states:

—the first phase of equalization throughout Canada, namely, of class rates accompanied by a new freight classification, had been accomplished and made effective on March 1, 1955.

The report states at page 4:

The equalized class rates have now been in effect for two and one half years and have cured the complaints that existed for so many years concerning the higher class rates in western Canada compared with eastern Canada.

Then it says that the second phase of equalization is to deal with commodity rates, which it divides into four classifications. The

report goes on to deal with those. There came a third report dated December 22, 1958, this one again signed by Clarence D. Shepard, the chief commissioner. I should like to put on *Hansard* the second introductory paragraph of this report:

> Order in council P.C. 1487 of April 7, 1948 required a general investigation of the freight rate structure of Canada, and directed that this investigation be made "with a view to the establishment of a fair and reasonable rates structure which will, under substantially similar circumstances and conditions, be equal in its application to all persons and localities, etc." Section 366 of the Railway Act is broader in its application and sets forth the national freight rate policy that, subject to certain exceptions, "every railway company shall, so far as is reasonably possible, in respect of all freight traffic of the same description, and carried on or upon the like kind of cars or conveyances, passing over all lines or routes of the company in Canada, charge tolls to all persons at the same rate, whether by weight, mileage or otherwise".
>
> The board has been proceeding with "equalization" as defined by section 336, i.e., that subject to all reasonable considerations and the exceptions set forth in the section, the rate on a given article for the same distance and for the same weight must be the same in any part of Canada west of the maritime provinces, despite any differences in circumstances and conditions.

Then it lists the various board judgments dealing with equalization and it gives a long list of articles upon which freight rates in Canada have been equalized. This report concludes by saying that in as far as it has been possible so to do, these rates have been equalized.

My purpose in putting these matters on the record is to indicate, first, that this was not a new subject; it dates back many, many years; that equalization has been going on in this country over a period of years; that equalization was recommended by the Turgeon commission and was put into effect by three interim reports of the board of transport commissioners thereby lightening, but not making disappear entirely the effect of horizontal freight rate increases.

I hope the present royal commission on transportation will be able to come up with a formula which will make horizontal freight rate increases disappear entirely and equalize freight rates to the fullest extent across this country. That would be a desirable objective. Whether it can be reached or not I am unable to say, but I do know that under the previous administration the board of transport commissioners gave this subject careful consideration, and anybody either in this house or outside who tries to say that the previous administration did not face up to this problem is making an inaccurate and false statement. I repeat that the recommendations are there; they are indicative of what was done by the royal commission. The legislation also is there to indicate what was the attitude of the government. At that time there were various bills introduced in the house —I have forgotten how many, but certainly there were a number of them—dealing with each of the aspects upon which recommendations were made by the Turgeon commission. Will the present administration do the same thing? I invite them to do so when they have decided upon which parts of the report they intend to implement.

I leave the subject there, satisfied that I have replied effectively to any statement or charge, made directly or by inference, that little or nothing was done by those who were in office for 22 years. The record is there to bear me out. I think the previous administration did a great deal, both during the 22 years when the last Liberal government was in office and under earlier Liberal governments, to deal with this question, which is a complex one, a complicated one, and one which cannot be dealt with overnight. Having said that, I can only reiterate that we on this side of the house will give our full support to this measure, and hope it will be possible for the minister to clear up any doubts I have in mind about the retroactivity of this bill when we come to discuss it clause by clause.

Mr. Woolliams: May I ask the hon. gentleman a question? I do not have the exact quotations here but it seems to me he said at one time that the Crowsnest freight rates were shackling the railways. I should like to know whether or not the hon. gentleman is in favour of maintaining for western Canada the Crowsnest freight rates on grain.

Mr. Chevrier: That question is easy to answer, and if the hon. member would look at *Hansard* for the period during which I was minister of transport he will see that I repeatedly said they should not be touched. Furthermore, in the terms of reference to the Turgeon royal commission there was a provision excluding consideration of the Crowsnest rates, thereby indicating the intention of the government at the time that the royal commission on transportation should study the whole question of freight rates, freight structure and other transportation matters but not the Crowsnest rates.

Mr. Woolliams: I wonder if the hon. gentleman would answer one supplementary question. I may have misunderstood him, but I understood the hon. member to say on one occasion that the Crowsnest pass freight rates were shackling the railways. That was at the time when the Prime Minister declared that the rates were a magna carta for western Canada. Did the hon. gentleman suggest in

this house at any time that the Crowsnest pass rates were shackling the railways and should be changed?

Mr. Chevrier: I thought I had answered that question by referring just now to statements I had made when I was sitting on the other side of the house. I have been in the house for 23 years and I do not remember all the statements I have made, but I cannot recall having made a statement of the nature quoted by the hon. gentleman or any statement like it having to do with the Crowsnest rates, and this is in line with the attitude I have taken all along. If, perchance, the hon. member is able to show that I have made such a statement I shall be the first to rise in the house and correct it. However, I should be tremendously surprised if any such statement was made either by me or by any member of the Liberal administration.

Mr. Hazen Argue (Assiniboia): The question which the hon. member for Bow River put to the hon. member for Laurier is indeed an interesting one. Perhaps clearer than anything else in the discussion of freight rates one thing stands out, and that is the policy of every political party in Canada, as enunciated from time to time, that the Crowsnest rates must remain unchanged and must not be tampered with. Any government or any political party which embarked on a course of tampering with the Crowsnest rates so as to raise the rates on western grain would not have a chance to elect a single member from any one of the three prairie provinces. So if any political party in Canada wishes to commit suicide in the three prairie provinces, this is the course open to it and this is the way to bring it about.

As a matter of fact the people on the prairies are so much opposed to tampering with the Crowsnest rates that they would view very carefully any contention that those rates should be used in such a way as to get something for the railways by way of a compensatory grant. The railways require assistance. The employees who work for the railways should not be forced, as they have been in the past, to accept wages lower than those paid to workers in comparable industries. But the Crowsnest pass rates must remain as they are now and no method should be used by any government, either directly or indirectly, to undermine the effect of those rates.

There has been a great deal of speculation lately as to whether the country may be confronted with a fall election, and an atmosphere of this kind leads members in various part of the house to make speeches which are tailored to meet such a situation. I think this present bill is tailored to that possibility. I do not say this bill means we are to have an election in the fall, but the government is taking no chances; the government is doing everything it can to make a fall election possible if it decides at some later date that an election at that time would be in its own political interest.

The long and carefully prepared speech which was read by the hon. member for Laurier certainly suggests to me that the Liberal party and its great research bureau are very conscious that an election may be coming before long, and in order to provide some alternative argument to this legislation or to the royal commission report which has been placed before the country the hon. member for Laurier has made a spirited and detailed defence of the Liberal party, not only of today but throughout its whole history. He has endeavoured to show that it is the Conservative party which has been the party of high freight rates and that it has been the Liberal party which has valiantly come to the rescue of the freight users of this country by taking far-reaching steps to equalize freight rates and relieve the burden caused by horizontal increases.

The Turgeon commission report was presented on February 9, 1951. From the end of the war until that time, according to the information I hold in my hand, and I believe it is correct, there were two horizontal increases in freight rates. On April 8, 1958 there was a 21 per cent increase; on June 16, 1950 there was a 20 per cent increase.

Then we received the report to which the hon. member for Laurier has referred. We have it. The government did a few things about it. Some measures were introduced, and after we had the report, on February 11, 1952 there was a 17 per cent increase in freight rates. On January 1, 1953 there was another 9 per cent increase; on March 16, 1953 a 7 per cent increase; on July 3, 1956 a 7 per cent interim increase; in December, 1956 the 7 per cent interim increase was increased to 11 per cent. We had a couple of increases before the report; we had four complete increases in a total of five stages after the report.

I am very much opposed to freight rate increases. I am disappointed that the government did not roll the last increase right back to the position before the increase, but we were getting dizzy with increased freight rates under the former administration. Although the royal commission report was pitchforked in among the increases, nevertheless the increases continued at a very alarming and rather monotonous rate.

Well, the Liberal government had royal commissions and the Conservative government has had royal commissions. We have one now. The Turgeon royal commission made one report. It did not help very much. The MacPherson royal commission is going to make three reports, and I do not know whether the three reports of the MacPherson commission are going to be any more substantial in their effects than the one report of the Turgeon commission. We have the initial report of the MacPherson commission and, according to the government, all its railway freight policies were being tailored to the moment when the MacPherson commission would make its report. That is, both as to railway wage rates and as to freight rate policy, the government would get the report, it would make up its mind, it would study the report and it would act.

It received the report. Apparently it studied it. Instead of action there is further procrastination, there is further postponing. The government is doing nothing today to deal with the report or with the freight rate situation that it did not do a year ago or a couple of years ago. The government has no policy with regard to freight rates. It has a policy with regard to royal commissions. It has appointed as many as possible on as many subjects as possible. Get all the royal commission reports and in the main shelve them. Let them gather dust and procrastinate and postpone in the hope that the royal commission reports will be something of an answer for an electorate that is requiring action.

In his statement this morning the minister made it clear that this bill freezes only certain freight rates. It freezes the general class and commodity rates, but it does not freeze the competitive rates or the agreed charges. In other words it puts a ceiling on certain rates, and underneath the ceiling the rates can be adjusted upward right to the ceiling. So that while this measure does put some control on the revenues that may be obtained by the railway companies, it would be false to assume that it freezes railway revenue or even freight rates. It does not do this; it freezes only certain rates, and we certainly are in favour of any measure that prevents further horizontal increases.

I suggest, Mr. Speaker, that this particular bill deals only with a certain restricted area of railway operations, and the railway companies are still free under the law, as they have been in the past, to undertake actions that have a very important effect on the freight users of this country.

The MacPherson royal commission report makes some submissions and recommendations with respect to passenger train service on branch lines, to subsidies and to the Crowsnest rates. Nothing will be done with the Crowsnest rates. That is clear. But from all the information I can get the indications are that the discontinuance of passenger service will undoubtedly go forward, and the pressure that the railways have placed on the board of transport commissioners to allow them to abandon branch lines will be continued. I ask the minister whether he can give the house and the country any assurance whatsoever that there will be a freeze, or even a slow-down, in the rate at which the railway companies will seek to bring about an abandonment of railway passenger service or an abandonment of railway branch lines.

I come from a part of the country, and I suppose this is equally true of a majority of hon. members, where branch lines are exceedingly important. Over the years the people of Canada have felt that railway service was not something that could be confined or the jurisdiction over railway service was something that could not be confined, to private companies, but that the public interest demanded public control and a public policy for freight users in the country. The citizens of our nation who use branch line services are very much disturbed over the royal commission report which, under certain circumstances, would give the green light to a wholesale abandonment of branch lines in the country.

I say that the government is dealing with only part of the transportation problem; it is dealing with only one of the criticisms when it takes steps to prevent further increases in class and commodity rates. It is doing nothing constructive of which I am aware. I ask the minister to tell me what the government is doing, if it is doing something, to prevent the railways in our country getting from the board of transport commissioners the right to abandon all branch railway lines throughout the country.

I for one am going to resist, and resist for all I am worth, the wholesale abandonment of branch railway lines in Canada. The MacPherson report says that the railways could save $13 million annually by a wholesale abandonment of branch lines. I do not think the saving of $13 million by the railway companies warrants any kind of policy of wholesale abandonment of railway lines. Today the railways have a policy of wholesale abandonment of railway services. Usually the first thing they do is discontinue passenger train service. Then they put on mixed trains. A couple of years later they remove the passenger coach, and then they reduce the frequency of train service. Later they try to close the station and allow the agent to look

for other work. Then they amalgamate various sections of the railway for maintenance purposes.

This, Mr. Chairman, is almost a wholesale folding up and abandonment of railway services in our country. I say this has already gone so far that the government should develop at least an interim policy that would prevent its continuation until such time as an over-all, clear-cut railway policy is developed.

I have said that I am going to resist the discontinuance of branch line services in our country in any wholesale manner. I live in a community that has a branch line service. Ours is almost a branch off a branch, but although the service is only twice weekly it is important to that community. We do not want to see our costs of farming and of doing business skyrocket because of the tearing up of the railway track, thus condemning this small community, which is representative of hundreds of similar communities across the country, to economic death, the end of the community as it now is and a tremendous increase in the cost of doing business in the community.

The abandonment of railway lines is taking place. It is something that is with us. But if there is to be abandonment—and it may take place even though some of us oppose and resist it—I suggest that where it does take place the federal government should be prepared to put federal money and perhaps railway money into the building of paved highways over the right of way or along the right of way so that a community which loses its railway service will at least have an adequate highway system to replace the railway service.

As hon. members from western Canada know, many communities all over western Canada that have a very minimum of railway service also have very little by way of adequate highways serving them, and I say it would be a disgrace to our nation to tear up railway lines and leave these communities with inadequate highway facilities. I say it would be unjust, and it is not in keeping with a progressive nation that is looking forward to better and better services and a higher and higher standard of living.

The measure before the house is just a case of politically marking time as far as the government is concerned. It is a clear indication that the government has no policy, that the government has postponed and procrastinated. We can only hope that some day soon the government will develop an overall railway and transportation policy, that under this policy the freight service users of the country will be protected; that transportation facilities of all kinds will be integrated in a fair and equitable manner and, most important of all, that the freight service users and the communities that depend on the railways will be given adequate consideration.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I intend to speak very briefly on this matter, because after the lengthy and comprehensive exposé by my colleague the hon. member for Laurier there is very little left to say that would not be repetitive. However, one or two points were raised by the hon. member who has just taken his seat on which I should like to make a few observations.

The hon. member pointed out quite correctly, as the Minister of Transport did yesterday at the resolution stage—I have not done the arithmetic myself but I assume it is correct—that over the period after the war when a Liberal government was in office there had been horizontal increases in freight rates amounting to 140 per cent. I am not contesting that figure.

Mr. Balcer: One hundred and forty seven per cent.

Mr. Pickersgill: I think the hon. gentleman said that up to the present it was 157 per cent, of which 17 per cent was under the present government. I have his words right here, and I checked them just before rising to speak. He said that 140 per cent was under the previous government. I am not contesting these figures at all.

Mr. Balcer: Something around 15 times.

Mr. Pickersgill: Yes. It would be an increase of 140 per cent, which is not exactly 15 times. I think it is probably 14 times, but again I am not seeking to get into an arithmetical contest with the Minister of Transport. What I was going to observe was this. Suppose we take 157 per cent, which is the figure right up to the present, including the 17 per cent about which this bill is concerned. I recall very well that in the year 1939 I bought a Chevrolet sedan for which I paid $1,100. I think anyone who goes into the market today to buy that kind of motorcar made by the same company will pay three times that much, or a 300 per cent increase.

Mr. Thrasher: You are wrong.

Mr. Pickersgill: If the hon. member can show me a comparable Chevrolet sedan that can be bought new—

Mr. Thrasher: I will show you a better one for $2,800.

Mr. Pickersgill: The hon. member will not get a better one, because a better one is not made. I have had some experience in the matter, and the motorcars that have been

made since the war are not as good in quality as the ones that were made before the war. In any event, the point is that whether you pay $2,800 or $3,000 the disparity is far greater than the disparity in freight rates. That is the whole point. It is about twice as much no matter on what scale you take it.

It seems to me that it is really quite irresponsible for us on either side of the house to suggest, in view of the increase in costs of every kind that has taken place since 1939, although practically all of it has been since 1945 because of price control during the war, that the railways could conceivably, with the greatest possible efficiency, provide service without an increase in the cost of that service and an increase from some quarter in the compensation for it.

It seems to me that anyone who talks as though that kind of miracle could have been performed is not really talking realistically about this subject or making much of a contribution to the solution of a problem which I would say is one of the three or four most difficult problems that we have to solve in this country. It does seem to me that on the whole it would be a good thing for us in parliament to try to contribute to the solution of that problem, and surely the first point in its solution is to try to get the facts straight.

The Minister of Transport suggested in the course of his remarks yesterday that the present government had done very well because while there had been a 140 per cent increase under the former administration, there had only been a 17 per cent increase under the present administration.

Mr. Balcer: Eight per cent.

Mr. Pickersgill: Seventeen per cent in the rates.

Mr. Balcer: Brought back to 8 per cent.

Mr. Pickersgill: I am not trying to distort the facts, but perhaps I could be allowed to put them in my own words. A 17 per cent increase was granted by the board of transport commissioners, and the government decided in 1959 and again in 1960 and is now asking parliament again to reduce that increase by a grant out of the treasury. That is what we are talking about. That is the purpose of this legislation. The increase was made, but the government decided that instead of the whole 17 per cent being paid by the shippers, or whoever does pay when it is charged in freight bills, approximately half of that increase should be paid by the taxpayers out of the treasury.

That is the point. But the government did not decide that it should not be paid. The government did not decide the railways were not entitled to it. The government decided that for the time being, whether or not the railways were entitled to it, they should receive it. That was the decision announced by the Secretary of State for External Affairs when he was acting prime minister in 1958. My hon. friend from Laurier placed that statement on *Hansard* yesterday.

If the railways are to provide services and if they are to pay, as we think they should, wages that are comparable with the wages paid to other workers in Canada for comparable work—and I do not see how, especially on a railway owned by the taxpayers, we could expect anything else—if those two conditions are to be met, these costs have to be paid by somebody. They have to be apportioned in some fashion, and the apportionment of them is really about all that parliament can do very much about. The question of how they are to be apportioned is admittedly a very complicated one.

Parliament decided years ago, after world war I, that the Crowsnest rates on grain were not to be changed; and no government and no political party, as the hon. member for Assiniboia quite properly said, has ever deviated from that position. It is true that in the report of the MacPherson commission it is recommended that the railways should receive, out of the treasury of Canada, some compensation for the maintenance of those rates. That will be, when the time comes, if it comes, if the government brings forward legislation, a very debatable question, but it is not under debate at the present time. The hon. member for Assiniboia, and my friend the hon. member for Laurier, and the Prime Minister at various times in the life of this parliament have made very clear the position on this question of all three parties represented in this house, and as far as I am aware there is no division at all on it.

After the Duncan commission made its report in 1927, if my memory is right, the government of that day saw fit to introduce the Maritime Freight Rates Act. That act had the effect of reducing, by means of compensation from the treasury to the railways the effect on shippers in the maritime provinces of certain freight rates. That legislation was extended to Newfoundland at the time Newfoundland became a part of Canada, in 1949.

In the year 1957 my hon. friend Mr. Harris brought a budget into this house, and in the course of that budget announced that the benefits to the shippers in the maritime provinces under the Maritime Freight Rates Act would be increased from 20 per cent to 30 per cent. That represented an increase of 50 per cent. It so happens that that was just the last of many steps taken by the Liberal government over the years following 1918 to mitigate the effect of the standard rates on certain sections of the community.

My friend the hon. member for Laurier did not mention that particular one because at the time of its introduction he was serving our country in another capacity.

That is really what the approach of the Liberal government has been, to mitigate for certain sections of the country the effect of the standard rates. Among the sections of the country that have benefited were the grain growers, the Atlantic provinces, the east-west traffic in respect of the bridge to which the hon. member for Laurier referred, and British Columbia because of the abolition of the mountain differential. By the various steps toward equalization that were taken by the board of transport commissioners as a result of the action taken in this parliament at the request of my friend the hon. member for Laurier in 1951, very considerable ameliorations have made more equitable to the Canadian people generally the weight of these charges.

Nobody can remove these charges without affecting revenues. Nobody can reduce them very materially, it seems to me, although automation may have some effect, as other kinds of efficiencies may also have, without reducing the services. I think it is foolish to pretend there is some magic way by which these can be changed. I know there are certain people who feel that if the whole system of control established by Sir Wilfrid Laurier when the board of railway commissioners was first established early in this century were abandoned; if free competition were permitted and the railways were allowed to set any kind of rates they liked, they might be able to be more efficient and cut their costs. Although I have a bias in favour of freedom, frankly I have a little scepticism about this particular argument. Nevertheless it is an argument that is made seriously by serious people.

Mr. Speaker, may I call it one o'clock?

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

Mr. Pickersgill: At one o'clock, sir, I was pointing out that it seemed to me that all of us, in considering this problem of freight rates—although the bill deals with only one very small aspect of the subject—must keep one basic fact in mind. Unless we are going to say that the railways must go bankrupt, or unless we are going to say that they are not to pay wages comparable with the wages for comparable activities, unless we are going to make that kind of decision somebody has got to pay the cost of maintaining these services. The only problem that we are faced with is how these costs are to be divided. Of course I suppose that a really full-fledged socialist would say, "We will give the railway services free"; that is to say, that they would all be paid for out of the treasury, because that is the only way in which they can be given free.

An hon. Member: It still is not free.

Mr. Pickersgill: I suppose these great champions of free enterprise like the Prime Minister would say, "We will take all the controls off the railway and let them charge anything they like for any service, and any service that does not pay will have to be abolished".

An hon. Member: Where does he say that?

Mr. Pickersgill: I did not say that the Prime Minister said it. I said I supposed that these free enterprisers, whose ranks the Prime Minister has lately joined, would say that we should take all the controls of every kind off the railways, let them charge anything they like and if any service does not pay, we should abolish it. But nobody in this parliament, not even the Prime Minister or the hon. member for Skeena—and they perhaps represent the two extremes in this house—really means either of these things.

Mr. Peters: What do you mean?

Mr. Pickersgill: That is precisely what I intend to explain. I mean first of all, as I said before luncheon, that a certain measure of railway service, ever since confederation and prior to confederation—as one of the terms of confederation the Intercolonial railway was built—has been regarded as in the national interest; and that railway service must be paid for somehow by someone. There are two questions this parliament can settle and only two, it seems to me. The first is how much of that railway service really is in the national interest. The second is how that part of it which is in the national interest is to be paid for.

We in the Liberal party, when we were in office and since then, have never taken the view, any more than did the Turgeon commission, that horizontal increases or any other kind of increases in freight rates may not from time to time be necessary in order to pay for these services. We have never taken the view that there will not be certain instances in which some of the services should be paid for out of the treasury. In fact, as my hon. friend from Laurier pointed out earlier, it was the Liberal party that was responsible for the Maritime Freight Rates

Act, and it was the Liberal party that was responsible for the bridge in northern Ontario.

That was a decision that in the national interest the treasury should pay for these things instead of their being paid for by shippers or by whoever benefited directly from the service. We have decided twice already in this parliament, and we are now being asked to decide again as a stopgap, that half of a 17 per cent increase which the board of transport commissioners decided the railways were entitled to and the government agreed they were entitled to in 1958, or about half of it should be paid out of the treasury, and the other half should be paid by the shippers until such time as a long term solution is found.

We did not quarrel with that decision in 1959; we did not quarrel with it in 1960; and my hon. friend from Laurier indicated before luncheon, we do not quarrel with it now in itself. What we quarrel with is the fact that the government, instead of being straightforward about this matter; instead of saying that until the MacPherson commission had plenty of time to reach its conclusions that in the meantime they were going on with this stopgap; over and over again the government have held out false hopes about this matter and promises that were not fulfilled. For example, we have the Prime Minister in 1957 saying this. It is true he had no responsibility then, but in 1957, under what I called the other day that noontide of promises in that month of May four years ago, the Prime Minister had a few things to say about freight rates. This is a Canadian Press report in the Montreal *Gazette* of May 20 from Drumheller, Alberta, May 18:

At Drumheller he said there should be equalization of rail rates in Canada "within reasonable limits"—

I do not know what that means.

—to give a shot in the arm to agriculture and industry on the prairies... On freight rates he said that a rate pattern discriminatory to the west has been made worse by recent increases. This had struck "an almost paralysing blow" to industrial development in the west.

That is what the Prime Minister said. Then the *Globe and Mail* reported this:

He said a Conservative government would equalize freight rates as far as possible to help both agriculture and industry on the prairies compete with the rest of Canada.

Mr. Fisher: What is the source?

Mr. Pickersgill: What has happened? A 17 per cent increase has been reduced to 8 per cent with the help of the treasury. I do not think anyone thought the equalization that the Prime Minister was promising in Drumheller would be another horizontal increase.

[Mr. Pickersgill.]

This was in 1957. But the Prime Minister in 1958, when he had had some months of office, if not responsibility, had this to say in another part of the country. This is from the Saint John *Telegraph-Journal* of March 3, 1958, a report of a speech made at Saint John, New Brunswick on March 1, 1958:

Addressing a public meeting at the Saint John high school, Prime Minister Diefenbaker gave a hint of a new promise for the maritime provinces.

In that noontide of promises of 1957, they were not hints of promises; they were outright promises. In 1958, except for one famous promise that we all remember, that no one would suffer, they were hints of promises:

—Prime Minister Diefenbaker gave a hint of a new promise for the maritime provinces. He said his government was considering additional freight rate assistance for the area to spur industrial development.

Then it says:

Mr. Diefenbaker's reference to consideration of new freight rate aid for the maritimes involved the Maritime Freight Rates Act, a 1927 statute under which rates on goods moving between the maritimes and central Canada were set at a below average level.

He said the government is studying the possibility of broadening the basis of aid and changing the present formula to remove discriminations.

Mr. Peters: Mr. Speaker, could I ask what document the hon. member is quoting from?

Mr. Pickersgill: I am quoting from a compendium of the statements and promises of the Prime Minister, all of which are taken from the press of Canada. There are two volumes of them, which I have in my hands. One was prepared in 1957 from the promises made in that year; the other was prepared in 1958 from the promises made in that year; and I notice these documents are never quoted from the other side of the house.

Mr. Argue: Mr. Speaker, I wonder whether the hon. member would permit a question.

Mr. Pickersgill: Certainly.

Mr. Argue: I wonder whether the hon. member has ever taken the trouble to weigh those two volumes to see what is the weight of the promises. I understand they weigh around five pounds.

Mr. Pickersgill: They have been weighed in the balance and most of them have been found wanting; I can say that.

Mr. Ricard: It is a good thing you have them, otherwise you would not be able to speak.

Mr. Pickersgill: Perhaps I could finish replying to one question before I undertake to reply to another. As I said to the hon. gentleman, they have been weighed in the balance and most of them have been found wanting,

as those two promises were. I refer to the promise to do something about maritime freight rates. Something was done about them; that is quite true. As the hon. member for Port Arthur pointed out yesterday, freight rates were frozen before the 1958 election, but after the 1958 election the increase was allowed. Then this legislation which we are now being asked to renew was brought in to diminish that increase, but only to diminish it. That is all that has happened to implement either of those promises.

It is true that the MacPherson commission was appointed, and I am not going to say that ten years after the Turgeon commission, with all the changes that have taken place since, another dispassionate look at our transportation problems was not justified. I would not say that at all. I think probably it was. However, I do say that this commission should have been allowed to carry on its work until it had completed it, without being made a political tool, as it was made a political tool, last November when the government was embarrassed about the railway labour dispute and the whole work of the commission was interfered with and perverted—

Mr. Churchill: What is your evidence for saying that?

Mr. Pickersgill: —by the efforts of the Prime Minister to use it as an excuse to compel the men to go back to work without any increase in pay for months.

Some hon. Members: That is nonsense.

Mr. Pickersgill: That is what happened and, as my hon. friend the Leader of the Opposition pointed out yesterday, the promise was made that this commission would report on March 31; that it would provide a solution of the whole problem, and that this solution would be brought before this house in the form of legislation before May 15.

I am not going to repeat those promises because the Leader of the Opposition put them on the record yesterday; they are there, and everybody knows them. The Prime Minister put them on the record in the first place, of course, when it suited his political purpose. As I say, none of those things has been performed and all we have before us is the same problem which we had last December and an interim report of the royal commission upon which the government does not dare express its views, apparently in May anyway—maybe it will in June—and this stopgap of 1959.

I say that this is no way to treat this serious problem. While we recognize that we do not want to see, any more than anyone else, the whole 17 per cent increase imposed upon the shippers and we will therefore support this stopgap as a stopgap, we say the government is derelict in its duty in not dealing with the real problem.

Mr. Eldon M. Woolliams (Bow River): Mr. Speaker, I did not intend to speak on this subject today. However, Your Honour will recall that this morning when the hon. member for Laurier was speaking in this house on the question of the equalization of freight rates for Canada, and in particular on the bill which is now before the house, I asked him whether he had ever said anything in reference to the Crowsnest pass freight rates and whether he had been reported as saying—because I recall the report—that the Crowsnest pass freight rates really were shackling the railways.

In order to make our position clear I think I should set out what I feel our position is as far as the Crowsnest pass freight rates are concerned. In doing so may I add these few introductory remarks. Over the years the fact is that we have enjoyed in western Canada, in the agricultural areas, the Crowsnest pass freight rates. They have assisted the farmers in getting their grain off the farms, into the markets and to Fort William at a reasonable freight rate.

That is why the Prime Minister has said on several occasions during my short time as a member of parliament that the Crowsnest pass freight rates are really the economic magna carta for western Canada and in particular for the western farmers. In particular, when speaking on May 13, 1959, when the royal commission was set up to inquire into problems relating to the railways, the Prime Minister made very clear the stand of this government and the Conservative party as far as the Crowsnest pass freight rates were concerned. On Wednesday, May 13, 1959, as reported at page 3607 of *Hansard*, the Prime Minister said this:

> When the Minister of Public Works as acting prime minister announced the government's intention to arrange for this review he assured the western farmers that such review would not mean that they would have to pay more freight on the shipment of grain for export. I wish to take this occasion to confirm this, in regard particularly to the action that may be taken as a result of the work of the royal commission. To make it clear beyond question, the Crowsnest pass rates are part of a bargain that was made between the railways and the government on the one hand and the settlers who went west on the other hand. We intend, in so far as this government is concerned, to see to it that that contract shall not be broken.

In brief, it seems that there the Prime Minister set out clearly once again that as far as the royal commission was concerned there would be no interference with the

Crowsnest pass freight rates. The Prime Minister also said on November 30, 1960, as reported at page 358 of *Hansard*:

> There is also the indirect subsidy, claimed as such, of the Crowsnest pass rates which, in so far as this government is concerned, must not be changed, for the legislation of 1897 was a Magna Carta, as it were, for the western provinces before they became provinces.

In other words, we made it clear where this government and this party stand as far as the Crowsnest pass rates are concerned in relation to the shipment of western grain.

Returning to my introductory remarks, I asked the former minister of transport, the hon. member for Laurier, whether he had ever said anything to leave the impression that those rates should be looked into or that those rates should be changed. I want now to read from page 3751 of *Hansard* for May 18, 1959. Hon. members who wish to refer to this volume will see that there was some discussion between the Prime Minister and the hon. member on this subject. The present Secretary of State for External Affairs had directed the following question to the hon. member for Laurier:

> May I ask the hon. member for Laurier to explain in more detail what he means by this suggestion? What does he thing should have been written into the terms of the commission in this respect?

I suggest that this question was asked in order to determine where the hon. member for Laurier stood as far as this subject was concerned. Now let us see what the answer was, I am reading from page 3751 of *Hansard* for May 18, 1959:

> Then there is the other matter to which the Prime Minister himself referred when he made the announcement of the royal commission. I should like to quote his words. If I interpret them wrongly I am sure he will correct me. At page 3607 of *Hansard* of May 13 the Prime Minister said—

Then the hon. member for Laurier went on to quote what the Prime Minister had said on that occasion, and if hon. members check the words used by the hon. member for Laurier they will find that he quoted the Prime Minister exactly. He set out the Prime Minister's stand as far as the Crowsnest pass rates are concerned in relation to the western farmers. But I am going to repeat the Prime Minister's statement. This is the quotation:

> When the Minister of Public Works as acting prime minister announced the government's intention to arrange for this review he assured the western farmers that such review would not mean that they would have to pay more freight on the shipment of grain for export. I wish to take this occasion to confirm this, in regard particularly to the action that may be taken as a result of the work of the royal commission. To make it clear beyond question, the Crowsnest pass rates are part of a bargain which was made between the railways and the government on the one hand and the settlers who went west on the other hand. We intend, in so far as this government is concerned, to see to it that that contract shall not be broken.

[Mr. Woolliams.]

Then the hon. member for Laurier went on to say this:

> In that statement the Prime Minister for obvious reasons has started the royal commission off with—

At this point the Deputy Chairman interrupted by pointing out to the hon. member for Laurier that his time had expired. Some members invited the hon. gentleman to continue. The Deputy Chairman asked whether there was unanimous consent that such a course should be taken, and various hon. members indicated agreement.

Now we come to the statement which I wish to put on record and about which I intend to ask some questions in order to find out where the hon. member for Laurier stands, and to find out whether he was speaking for the Liberal party or for himself with respect to the Crowsnest pass rates in relation to western Canada. This is what the hon. gentleman had to say:

> I had reached the last point I intended to make, and I am grateful to the Prime Minister and hon. members of the committee for allowing me to continue. When I was interrupted I was saying that I thought this commission was being started off with one foot carrying a ball and chain, because unless I interpret this (the Prime Minister's) statement wrongly it indicates that they cannot consider the Crowsnest pass rates because these rates are part of a bargain which was made between the railways and the government on the one hand and the setlers in the west on the other.

Let us look further at what the hon. member said. Let us analyse it for a minute. His words were:

> When I was interrupted I was saying that I thought this commission was being started off with one foot carrying a ball and chain—

I have not the clipping here, but if my memory serves me right the Calgary *Albertan*, which is a Liberal newspaper—whether it was quoting the hon. gentleman correctly or misquoting him I do not know; it is for the house to judge—reported that the hon. member had stated the railways were shackled as far as the Crowsnest pass rates are concerned.

Mr. Chevrier: Will the hon. member cite any passage in *Hansard* where I have made that statement?

Mr. Woolliams: The hon. member will bear with me, I am sure; that is why I am being very careful to say it is for the members of this house to judge for themselves, as well as for those outside the house who are concerned with it. I intend to ask the hon. member a few questions, and then the house and the people of western Canada can decide where the hon. member stands on this subject. He

says the Liberal party has always stood for the equalization of freight rates and that the Liberal party has always supported the Crowsnest pass freight rates—

An hon. Member: You won't be here.

Mr. Woolliams: Time will judge. Time has judged before, it judges today and it will judge tomorrow. I intend to read again what the hon. member said:

> When I was interrupted I was saying that I thought the commission was being started off with one foot carrying a ball and chain—

Well, a ball and chain is a shackle, a heavy shackle.

Mr. Argue: Maybe there was one on each foot.

Mr. Woolliams: Yes, maybe he wanted one on each foot to shackle western Canada as far as these rates are concerned. The hon. member continued:

> —because unless I interpret this statement wrongly it indicates that they cannot consider the Crowsnest pass rates because these rates are part of a bargain that was made between the railways and the government on the one hand and the settlers in the west on the other.

This statement suggests to me that the hon. gentleman is criticizing the Prime Minister and criticizing the government because when they set up the royal commission the Crowsnest pass rates were omitted from the terms of reference.

Let us think of this as a question. Why did the hon. member want those freight rates considered by the royal commission? I have always respected the hon. member for Laurier and listened with pleasure to what he has had to say, because he has that touch of culture which makes him an excellent orator. But when he set out the facts with reference to this subject and criticized the Prime Minister for not including the Crowsnest rates in the reference to the royal commission, did he do so because he wanted those rates, to put it bluntly, looked into by the commission? Was he not suggesting that they should be the subject of inquiry and, if they were felt to be unfair and discriminatory in the opinion of the Liberals, that they should be changed? On that I rest my case.

Mr. Chevrier: Not a very good case.

Mr. Woolliams: It may not be, but I shall leave that to the jury.

I think I should read on. The hon. member said:

> I doubt if that is correct from an historical standpoint, but I have not risen for that purpose.

The hon. member made it clear that this was not the purpose for which he got up to speak. He continued:

> So far as the government is concerned, the declaration that this contract would not be broken seems to be tantamount to excluding the Crowsnest pass rates from the scope of the inquiry of the royal commission. If I am wrong I stand to be corrected.

What the Prime Minister had stated with regard to the subject, and the quotation which the hon. member for Laurier read from *Hansard* of May 13, 1959 was very clear. The Prime Minister made it plain when he dealt with the terms of reference of this commission that it was not to look into the Crowsnest freight rates because they were a solemn contract between the western sector, the western farmers, and the railways. It is also made clear that in consideration for that deal the railways got plenty. The Canadian Pacific Railway received land, and from that land they got petroleum, oil and natural gas; extremely valuable rights in the western provinces. It is true that since that date the C.P.R. has formed separate companies and turned those resources over to those companies; consequently they do not now show in the profits of the railway. Nevertheless, in considering this bill everyone from western Canada, irrespective of politics, knows, just as the hon. member for Assiniboia agreed with me this morning in reference to this subject, that as part of the deal the C.P.R. got that land and they got rich resources of petroleum, natural gas and other considerations.

There is the other aspect of the situation that some members seem to miss. A commodity such as grain is hauled to country elevators in bulk. From those country elevators the grain is loaded in cars in bulk. Anyone who has lived on the prairies from the time he was a boy has seen the trains, first steam and now diesels, taking the grain across the prairies. Those trains were half a mile or more long, and the cars were full of grain. I suggest that the manner in which this grain is transported makes that commodity easier for the railroads to handle than any other commodity in Canada. Surely this fact was behind the thinking of this government and of the Prime Minister, and that is why the solemn contract which was completed should stand on the statute books and the Crowsnest pass rates should not be interfered with. Surely this is why the subject was left out of the terms of reference of the royal commission.

Who was the chairman of that royal commission? It was Mr. M. A. MacPherson of Regina, a former attorney general of Saskatchewan. If anyone knows anything about the railways as far as freight rates are concerned it is this gentleman. Irrespective of politics, he knows the subject well, because he has acted at various times as counsel for

the province of Saskatchewan, and has set forth the very same arguments I am putting forward this afternoon. This man was named the head of the commission, and this is why the subject of the Crowsnest pass rates was excluded, although evidence was allowed in. It was excluded in the report of the royal commission.

Mr. Pickersgill: May I ask the hon. gentleman a question.

Mr. Woolliams: Why, certainly.

Mr. Pickersgill: Can the hon. gentleman explain to the house how, if the subject was excluded from the royal commission, Mr. MacPherson was able to make recommendations about it, as he has done?

Mr. Woolliams: I am very happy that the hon. member for Bonavista-Twillingate has asked me the question. I do not know whether he has finished his law course, but he knows that once a royal commission is set up the chairman of that royal commission controls the evidence and what he puts in his judgment is within his jurisdiction.

Mr. Pickersgill: Oh, oh.

Mr. Woolliams: The hon. member for Bonavista-Twillingate may laugh, but let him show us in this House of Commons where it says in the terms of reference that the MacPherson commission should admit evidence and make no decision as far as that subject is concerned.

Mr. Pickersgill: The government say they should not.

Mr. Pearson: May I ask a question?

Mr. Woolliams: I am glad to have these questions.

Mr. Pearson: Can the hon. member explain how a royal commission can make recommendations on a matter which is not within its terms of reference?

Mr. Woolliams: Well, I am not going to get into a legal battle with the Leader of the Opposition. The hon. member for Bonavista-Twillingate has started his law course; I do not know when the Leader of the Opposition will start his, but he knows as well as I do that any commission is controlled by its terms of reference. Let us get back to the subject matter.

Some hon. Members: Oh, oh.

Mr. Woolliams: Let us not lose sight of the fact that the hon. member for Laurier criticized the terms of reference because they did not allow the royal commission to look into the Crowsnest pass rates. If he wanted them looked into, Mr. Speaker, it is quite likely that he wanted them changed. As long as the Liberal party is running for office in western Canada this little ghost will come out of the cupboard and warn the people on election day where the Liberal party stands in western Canada as far as freight rates are concerned.

Mr. Argue: May I ask the hon. gentleman a question?

Mr. Woolliams: Certainly. I have had questions from the front row. Since I am far at the back I like to hear these questions; I want to know how the front row think.

Mr. Argue: I should like to know whether the hon. gentleman is in favour of the majority report which says that there should be a subsidy to compensate for the Crowsnest rates, or does he agree with the commissioner who says that the Crowsnest rates carry themselves and the railways have no claim whatsoever for any compensation?

Mr. Woolliams: That is a very good question, and if I were to answer it I might be here all afternoon. One thing I will say. This is something for the government to decide. I would say to the hon. member for Assiniboia if they decide the question as the government has decided that the Crowsnest pass rates shall not be changed they will get my support, and I will always have confidence in our leader, the Prime Minister of this country.

I should now like to say something with reference to the shipping of another commodity. In my earlier remarks I dealt with the question of the transportation of grain and why it is so easy to transport it from the country elevators to terminals in Vancouver, Fort William or Port Arthur or wherever it is going. It seems to me that if the principle that is applied to the shipment of grain were applied to the shipment of coal from western Canada, then coal could move from some of the mines of western Canada and compete with coal going into eastern Canada from Pennsylvania on the same terms and conditions as we compete with reference to grain.

It is unfortunate that up to now, with one or two exceptions which I shall deal with later, coal has been shipped in individual carload lots. There was an exception to that. I see the former minister of trade and commerce in his place. I know he recalls the deal in 1958 under which coal from Canmore and the Crowsnest pass was shipped to Japan. At that time we sold some 600,000-odd tons of coal under one contract. On that occasion the coal did move from those areas in trainload lots. At that time, of course, the cost of transportation was cut. May I suggest that the subject be looked into carefully.

I have dealt with agriculture, which is a major industry in my constituency. Coal mining in my constituency has suffered because of competition from petroleum and natural gas. Consequently the coal miners have been laid off in the last 10 years. If coal could be transported in a cheaper way, then it would revitalize the industry, because the industry would be able to compete with coal coming to eastern Canada from other ports and U.S.A.

I have been most happy to put on the record the reasons I asked the hon. member for Laurier questions with reference to the Crowsnest pass rates.

Mr. Chevrier: Mr. Speaker—

Mr. Deputy Speaker: Order. Do I understand that the hon. member for Laurier rises under standing order 37?

Mr. Chevrier: Yes, Mr. Speaker.

Mr. Deputy Speaker: I wish to mention to him and to the hon. member who just resumed his seat that standing order 37 does not permit the hon. member for Laurier to reply to the questions which were put to him. The only thing he can do is correct any misinterpretation or misunderstanding which may have been put on his remarks by the hon. member for Bow River. I thought I might warn the hon. member for Bow River at the same time, because he might insist on having an answer to his questions which he cannot get under the standing orders.

Mr. Chevrier: That is all I am seeking to do, Mr. Speaker. I am seeking to reply in accordance with the standing order to which you have referred.

I think the hon. member for Bow River who has just taken his seat has used his imagination far more than he should have done. If he had read the whole of the statement I made when the discussion took place earlier he would have had no reason to intervene nor ask the questions which he did. He started off by saying that I had made a statement to the effect that the Crowsnest rates were really shackling the railways. He was not able to find any place in *Hansard* where a statement to that effect had been made by me. What he did was to read into *Hansard* certain statements from which he drew that inference, but he did not give himself the trouble, as he should have, as every hon. member of this house should in such circumstances, to complete the statement I made on that occasion. If he had done so he would not have said what he did earlier. I now want to put on the record the whole of this statement and I ask the house, the country generally and western Canada in particular to be the jury in this case. As found at the bottom of page 3751 of *Hansard* for May 18, 1959—

Mr. Woolliams: They may find against you.

Mr. Chevrier: They will find that the hon. member did not read all of my statement from *Hansard*. He just read the convenient parts and forgot other parts that are pertinent.

Mr. Woolliams: On a question of privilege, Mr. Speaker, when the hon. member spoke on that occasion he ran out of time. If I had put all his statement on *Hansard* I too would have run out of time, and I would not have completed my statement of facts.

Mr. Pickersgill: You ran out on the quotation instead.

Mr. Deputy Speaker: Order. May I read standing order 37 for the guidance of hon. members:

> No member may speak twice to a question except in explanation of a material part of his speech which may have been misquoted or misunderstood, but then he is not to introduce any new matter, and no debate shall be allowed upon such explanation.

Mr. Chevrier: I should now like to put on the record this pertinent part of my remarks which the hon. member for Bow River conveniently overlooked:

> The point I wish to make is this. When the Prime Minister made the announcement of the royal commission I said that when some years ago I occupied the position which my hon. friend the Minister of Transport now occupies, the situation in so far as the Crowsnest rates were concerned was quite clearly established by parliament and we had no intention of changing those rates in any way whatsoever.

Is that clear? These are statements made by me in 1959. I continue:

> But the point I wish to make now is this. Why should it not be within the scope and purpose of the royal commission to inquire into whether those rates are compensatory? Surely there is nothing which would effect in any way the rights of people in western Canada if that were done. And if perchance it were found that the rates are not compensatory to the railways, then the royal commission might want to make a recommendation to parliament for the payment of a subsidy on behalf of the western farmer, who benefits from the movement of grain because of the Crowsnest rates, in the same manner and to the same extent that there has been a Maritime Freight Rates Act, as there has been a bridge subsidy, and as there has been assistance given from time to time to certain areas for the movement of commodities.

Then the Prime Minister interrupted to ask this question:

> May I ask the hon. gentleman this question? He has quoted what I said and I stand on those words, but I would ask him what are his suggestions. How would the western farmer be compensated? He has studied this very carefully. The Turgeon commission dealt with this matter rather

subjectively. The hon. member, having been a minister, and having given a great deal of study to this, possibly would suggest what he has in mind.

Then I replied:

Before I answer—

Mr. Churchill: On a point of order, Mr. Speaker, I think the hon. member is now going beyond what you outlined as the implications of standing order 37. He may speak in explanation of a material part of his speech which may have been misquoted or misunderstood, but he is not to introduce any new matter, and that is precisely what he is doing now. He is going on with a long explanation trying to defend his position when the jury has already found him guilty.

Mr. Pickersgill: Before hearing the evidence. What a jury.

Mr. Chevrier: Mr. Speaker, I do not accept the very intelligent and clever interference by the house leader. I am replying to the entirely false allegation made against me, and I want to complete my remarks by putting the rest of my statement on the record.

Mr. Deputy Speaker: The hon. member has indicated that he wants to reply, but that is not what the standing order permits. It only permits an explanation. I do not think it is necessary for the hon. member to put on *Hansard* long extracts from former debates to explain how the hon. member for Bow River may have misquoted or misinterpreted his speech. Otherwise the hon. member is really being allowed to speak twice and to introduce new matter bringing about a debate, which is not the purpose of the standing order.

Mr. Chevrier: I was attempting to correct the erroneous impression created and the incorrect statement made by the hon. member for Bow River and I had almost completed the statement when I was interrupted by my hon. friend. I continue:

Mr. Chevrier: Before I answer the Prime Minister's question will he allow me to ask him one question? Am I correct in the assumption I have made that the royal commission on transportation is not to give consideration to the Crowsnest rates?

Mr. Diefenbaker: I have not challenged the hon. member's interpretation.

Mr. Chevrier: Then I take it I was correct in my assumption. That being so, it seems to me that I made it quite clear that if the commission were given the power to study this matter they might well make a recommendation that a subsidy should be paid which would give assistance to the railways in the amount required to compensate for the right which the western farmer enjoys in so far as those rates are concerned. If that were a recommendation of the royal commission and the government decided to implement it, I am sure that parliament would give it the consideration which is required in these matters and which it would deserve under all conditions.

[Mr. Chevrier.]

As the house knows, the MacPherson royal commission on transportation has made its report and has recommended exactly what was suggested by the hon. member for Laurier in that statement. Having said that, I say to the hon. member for Bow River that he is hoist on his own petard.

Mr. R. H. Small (Danforth): Mr. Speaker, when this bill was introduced and I read it I found that it had to do with an increase in the board of directors of Canadian National Railways, which brought back to my mind a former board of directors and the bringing of a motion in the house with respect to the then president of Canadian National Railways. The hon. member for Northwest Toronto at that time, later the member for Broadview, had some pertinent things to say about the president of Canadian National Railways, and I presume the introduction of this motion to increase the board of directors provides an opportunity to say something about this matter.

Mr. Pickersgill: Would the hon. member speak a little louder?

Mr. Deputy Speaker: I might indicate to the hon. member that the house is now concerned with Bill No. C-93, an act to amend the Freight Rates Reduction Act.

Mr. Small: That is the reason I brought up this matter. I was at a loss to know whether it had to do with the board of directors, having regard to the way the debate was proceeding; because the sum and substance of the debate seemed to be the increase in the board of directors. That is all I could get out of it, and as it seemed there was no attempt to bring the debate into line I thought I would continue along that line.

However, we are now talking about freight rates, and I listened to hon. members this morning referring to the Crowsnest pass rates and pointing out that none of the parties would be opposed to them. That is beside the point, because I have never heard of any party opposing them. They were established in the latter part of the nineteenth century to take care of the situation in the west. It was very necessary for the west to have these rates. We are now concerned with present conditions as to freight rates, and the matter of the directors who are going to sit on the board in the future has been interwoven in the debate. Members have injected any subject they wanted to discuss into the debate as if we were discussing a resolution preceding a bill.

I want to say that I brought up this question before. I was surprised to hear from the hon. member for Assiniboia and also the hon. member for Bonavista-Twillingate on

the matter of the Crowsnest pass rates. I thought they had discussed this subject once before, and I thought any interference with the Crowsnest pass rates was anathema to them. They said that we dare not touch those rates because they were a form of protection given to the farmers out west who were bringing their grain to market. This is something new coming from that motley crew of free traders over there.

However, since they are questioning these Crowsnest pass rates, perhaps it would be wise for us to examine the various things that have been brought forward with regard to the movement of our wheat. It was natural that when costs went up freight rates were increased. In the case of the Crowsnest pass rates, there was more or less a covenant that those rates would remain the same. I have no opposition to that. As I have said before, I have no particular objection to what I call these built-in preferences for the benefit of agriculture in the west, but now these free traders ask, where is the money coming from? If you are going to give subsidies, where is the money coming from?

I never heard such a nonsensical question before. It is quite obvious where the money is coming from. It comes from the people who pay taxes, the working people. This is the place from which all the money comes. No matter how you present the case to the people, the fact still remains that it is the people who pay taxes who supply the money that the government uses. We have to see that the money is wisely spent, wisely allotted. If the government is going to make more money available for freight costs out west, let us say frankly that it is going to be done by means of a subsidy or whatever the method may be. Let us say so, and let us be honest about it.

Let me make an interjection at this point, and I hope I will be allowed the same latitude as others were permitted on the subject of the board of directors. I have listened to the debate here, and I go along with the hon. member for Port Arthur and also the hon. member for Greenwood—

Mr. Deputy Speaker: Order. I must warn the hon. member that these comments were made in another debate, the debate on the resolution preceding the measure to increase the numbers of directors of the Canadian National. This debate of yesterday is another matter.

Mr. Small: I have read both debates of yesterday and I cannot distinguish between the two of them. There seems to have been a very wide latitude permitted and obviously the subjects were not separated, so far as I can see. I thought perhaps I would be giving an omnibus and see if in that way I could get it all in.

Mr. Deputy Speaker: Order. I think the hon. member should realize that in a few minutes, if this debate is concluded, he will have an opportunity to make these remarks; because I understand the next item will be the measure in which he is interested, and his remarks would then be relevant.

Mr. Small: I thought I might get the debate ended by interjecting in this way.

Mr. D. M. Fisher (Port Arthur): I have no intention of speaking for as long as I did yesterday on the resolution stage of the bill. However, I want to touch on something that has been mentioned by the hon. member for Bonavista-Twillingate. Hon. members may recall that quite a number of times in the last couple of years I have brought up a particular issue which I feel now, in the light of the battle cry that has gone resounding out across the country for the next general election, the battle cry of free enterprise, is particularly relevant.

I want to ask this minister, as I have asked other ministers, to explain how a group of free enterprisers can boldly go pushing out these subsidies to support things. When are we going to see revealed in all its glory the beautiful rhythm of this free enterprise effort? When is it going to be demonstrated that this government really means that it stands for free enterprise?

Mr. Grafftey: What about the Regina manifesto?

Mr. Fisher: I have had an interjection from my favourite interjector down there. Do I remember the Regina manifesto? This question has been thrown at me quite a number of times. I should like to point out to the hon. gentleman that the C.C.F. changed its approach in view of changing circumstances, and I assume this is what the Conservative government has done. After all, a Conservative government did start the C.B.C. It was the former Conservative prime minister, Mr. Meighen, who was the architect in the building of the Canadian National Railways. But I thought we had a new issue laid right on the line by the Prime Minister not long ago, that the issue in the next election is to be between free enterprise and socialism.

Mr. Pickersgill: That has been changed twice since.

Mr. Fisher: I can just see coming up again that dead hand of socialism; the cry to keep out the hand of socialism, the pinkos. Yesterday we heard this announcement from the minister about the shipbuilding industry. Did

all hon. members look at the lead editorial in the *Globe and Mail* today? I hope they did. The *Globe and Mail* welcomed the Prime Minister's statement that the issue was to be between socialism and free enterprise. I am beginning to doubt even the *Globe and Mail's* approach, because they welcomed this $50 million subsidy to the shipping industry; at least I calculate it will be about that amount. Here we have another subsidy.

I should like the minister to tell us how this really fits into the free enterprise theory of the Conservative party; or has the Conservative party changed in the last 10 years, just as the C.C.F. party changed the Regina manifesto of the 30's to the Winnipeg declaration. The reason I ask this question is that in the friendly relations one has around the house, the talk behind the curtains and in the lobbies, one recognizes that there are a great many free enterprisers in the Conservative party. I see some of them in the house now. The hon. member for Vancouver South (Mr. Broome), the hon. member for Swift Current-Maple Creek (Mr. McIntosh) and the hon. member for York North (Mr. Cathers) would be among these free enterprisers. There is this group of people within the Conservative party who, as I know them, seem to stand for free enterprise. I know they welcome the Prime Minister's declaration. Yet again and again we keep getting this type of legislation which is nothing more than, perhaps not outright, crass socialism, but at least creeping socialism.

I should like to point out to the minister that the MacPherson commission took this view of the feeling in Canada today, and in the preface to the report said:

> We sense in our hearings across the country an impatience and dissatisfaction with attempts to deal with the problem of transportation on a piecemeal or short run basis.

I think the commission really has got something. We have a call for a national transportation policy from the minister. In the light of the free enterprise ideal of the Prime Minister we must assume that this national transportation policy is going to be one of outright and open competition. We should like to know when we are going to see the C.B.C. being sold to private interests. When is the Canadian National going to be broken up and sold to private companies? What are we going to do with Polymer, Eldorado, Northern Transportation? Is this your election issue? This is what we would like to know, and we think the debate on second reading of this bill is another opportunity to call for information.

Now, the last point I wanted to make, Mr. Speaker, relates to the question of agreed charges. The minister knows that agreed charges do not come within the framework of this bill. The minister also knows that every year the number of agreed charges increases. The revenue from agreed charges has been increasing and, in fact, there has been a marked increase in the two years since this bill went into effect. The assumption one has to make, therefore, since this subsidy is not going to affect agreed charges, is that agreed charges are spreading more widely and the subsidies should be making an increasing contribution to that portion of freight that does not fall within the agreed charges or other competitive rates. From this point of view one would assume that the subsidy required might be less, because if agreed charges are proliferating—and if hon. members check in the C.P.R. annual report they will see that the increase has been marked in that railway; and we know it has been marked in the C.N.R.—then there might be a possibility of reducing this subsidy; and I am trying to look at this matter from the point of view of someone with Conservative principles.

I should like the minister to be prepared, during the committee stage when we are going through the bill, to explain to us what effect the proliferation of agreed charges has had upon the fund and whether it is spreading out wider or more deeply in those freight areas where the agreed charges are taking the business away. I realize that is a rather clumsy explanation but I think the minister can see the point I am making. If agreed charges are increasing and are providing more and more revenue for the railway, then there is less and less need for this subsidy. We should like to know what the relationship has been in the two years' experience.

Perhaps the last thing I should say on this matter, Mr. Speaker, is this. I thought the review given by the hon. member for Laurier was a worth-while one to have on the record. However, I should like to suggest that to anyone who reads *Hansard* and follows it, it is a record as seen through Liberal party eyes. This is fine, but once you accept that qualification, you put some different interpretations upon the freight rate increases that took place and you put some different interpretations upon the actions of the board of transport commissioners. I thought it was a good review of the record from the Liberal point of view.

I should like to add that I myself can see little difference in attitude toward the freight rate question on the part of this government and on the part of the previous Liberal government. I am back at the only thing with which I started and it is this. We seem to have this new statement of principle on the part of the Prime Minister that he and the

Conservative party stand for free enterprise. I would therefore assume that this gives us a completely different approach. That is why I am back again wondering about those members in the house who support and stand with the Prime Minister for free enterprise, and wondering how they explain their vote and support for this particular measure.

Mr. Pickersgill: If I may, I should like to ask the hon. gentleman a question before he takes his seat. Does the hon. gentleman not realize that he is totally out of date? Does he not realize that the Prime Minister last week, scrapped that issue and gave us another, namely, "Banish fear; substitute faith"?

Mr. E. J. Broome (Vancouver South): Mr. Speaker, representing as I do a British Columbia constituency, I am very much pleased with this subsidy, even though the hon. member for Port Arthur (Mr. Fisher) said I am an out and out free enterpriser. This subsidy is not incompatible with free enterprise. This subsidy is based on giving to the western seaboard and the eastern seaboard equal advantages which are at present enjoyed by the central provinces because of the variety of services which are offered to them and the fact that they have competitive means of shipping apart from rail transportation.

I should like to refer to the submission made by the province of British Columbia to the royal commission on transportation in order to give to the house an idea as to how this matter affects British Columbia. On page 24 of the submission to which I referred, under the heading "British Columbia's Dependence on Rail", we find the following:

> Shipments from British Columbia being bulky, heavy, and travelling long distances, are ideally suited to rail and are in many cases tied to railways as there is no reasonably competitive form of transportation for these types of commodities.
>
> Roads are difficult and costly to build through the province, and so trucks going to eastern Canada travel via the U.S.A. routes, paying license fees in each state. As there are no reciprocal licence arrangements between the province and the several states or provinces, truck operation over long hauls is very costly and impractical for the types of commodities which British Columbia has to offer.
>
> As there is usually no alternative form of transportation, reasonable rail freight rates—reasonable in the light of costs of carriage—are absolutely essential for the economic health of British Columbia. The fact is that the province depends almost entirely on railway transportation for its welfare and the economic growth of the Province is in danger of becoming stunted by reason of high freight charges.

In a table on the following page is shown the distribution of traffic between transportation agencies with regard to incoming and outgoing shipments in the year 1957. It shows for rail shipments incoming, a figure of almost 13 million tons; for shipments outgoing, almost 11 million tons. As to other forms of transportation, you find for water a figure of 760,000 for incoming shipments and of 194,000 tons for outgoing shipments. With regard to highway shipment, you find a figure of 176,000 tons for incoming shipments and of 64,000 tons for outgoing shipments. Rail traffic therefore represents from about 90 per cent to 95 per cent of all traffic incoming and outgoing in British Columbia. Therefore the purpose of the bill is to prevent those areas which are entirely dependent upon rail—those captive areas—from taking the great percentage of any freight rate increases which the railroads need to have and must have. In order to prevent this from happening—a happening which would throttle the economic growth of the maritimes and of the west coast—I contend this subsidy is necessary and essential.

I should like to refer for a few minutes to another subsidy with which we do not agree. I refer to the so-called bridge subsidy. The bridge subsidy was recommended by the Turgeon commission on the basis of what they called an economic desert north of lake Superior. It was a subsidy to facilitate the movement of goods from eastern Canada to western Canada against the railhead north of lake Superior which, in the opinion of the commission was largely an unproductive area as far as freight is concerned.

In this same submission of the province of British Columbia there is a comparison between the number of tons of freight generated per mile of traffic in the bridge area between Sudbury and Port Arthur. It showed the number of tons per mile as 2,425. The Turgeon commission said that this area would not generate the traffic which could be generated in the prairie provinces. When you compare this figure of 2,425 tons with that in the province of Manitoba, all lines, and that in the province of Saskatchewan, you find that the number of tons per mile in the province of Manitoba is 1,698 and in the province of Saskatchewan the number of tons per mile is 1,121. This so-called unproductive area is therefore a great deal more productive of freight than are the prairie provinces per mile of track.

The location of this bridge north of lake Superior gives an economic advantage to shippers in eastern Canada who already have alternative forms of transportation not available to the west coast. This puts us at a disadvantage in shipping eastward across the bridge. In the opinion of the province of British Columbia the bridge subsidy unfairly discriminates against that province.

Mr. Speaker, I have one other point and I will have finished. In regard to the general subsidies recommended by the MacPherson

commission, and so on, in the Montreal *Gazette* of Tuesday, April 18, in the business section there appeared an article written by Mr. John Meyer. He pointed out that these subsidies would not be of the magnitude envisaged in the report because for one thing a subsidy to the C.N.R. would simply reduce the deficit, and on the other hand a subsidy to the C.P.R., because the C.P.R. is already in a 50 per cent tax bracket, would mean that half the subsidy would be returned in the form of corporation taxes.

Hon. members from the prairie provinces have gone into the question of the Crowsnest pass rates. However, I should like to point out that the dissenting opinion in the first volume of the report of the MacPherson commission pointed out that there were many ways in which costs had been loaded against the grain shipper of the west and these rates were much closer to being compensatory than is generally believed. I would refer hon. members to that dissenting opinion in the report if they wish to obtain a much fairer idea as to the true effect of the Crowsnest pass rates.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I intend to speak only for a very short time. My words arise out of the statement made in this discussion by the hon. member for Bow River (Mr. Woolliams) in which he threw some doubt on the policy of our party in regard to the Crowsnest pass rates.

The hon. member for Laurier (Mr. Chevrier) dealt with the references which were made to him based unfairly upon selected portions of a speech he had made. I need not go into that matter because it has been disposed of.

I would like to make it quite clear that this party remains firm in the position it has always adopted in regard to these rates and we would support no policy or no recommendation of any kind which would interfere with the rights of the producers established by the compact which led to those rates. That is a solemn compact and will not be interfered with so far as we are able to prevent that interference.

Our words on this matter, which I repeat this afternoon, have the advantage of being substantiated by the record of our party over the years. The words attributed to the Prime Minister (Mr. Diefenbaker) in this matter cannot be substantiated in the same way.

I recall, for instance, that the Crowsnest pass rates were abolished by the Conservative party in world war I and were restored by Mr. Mackenzie King when he formed the Liberal government. Therefore our record is clear in regard to the maintenance of these rights established for the producer under a solemn compact, and no effort on the part of any hon. member to throw any doubt on that record will be successful.

Mr. Jones: Mr. Speaker, would the hon. member say whether or not his party agrees with the stand taken by the hon. member for Laurier (Mr. Chevrier) that if an investigation of the Crowsnest pass freight rates were undertaken and it were discovered that there was some difference between the cost of operating under these rates and the yield from the rates themselves, his party would be in favour of a subsidy earmarked to cover that difference?

Mr. Pearson: Mr. Speaker, that is another point and I am quite happy to deal with it. The point I have been making is that the rights of the producers under these rates will not be interfered with so far as we are concerned.

My hon. friend said, what would we do if the government brought forward a subsidy to compensate the railways for those rates.

Mr. Jones: I did not say that.

Mr. Pearson: The hon. member said that if a royal commission makes a recommendation for a subsidy of this kind—

Mr. Jones: Mr. Speaker, just in order that we may proceed with the explanation I should like to refresh the Leader of the Opposition's memory on the question I actually asked. It was: what position would his party take if an investigation disclosed a difference between the operating costs in connection with the transport of grain under the Crowsnest pass rates and the yield from those freight rates themselves.

Mr. Pearson: Mr. Speaker, I am grateful to the hon. member for clarifying the question. However, I would point out to him that in fact such an investigation has been made. It was made by a royal commission set up by this government with terms of reference laid down by this government. It was found appropriate and reasonable by the commission to make that investigation under these terms of reference. My hon. friend from Bow River criticized the hon. member for Laurier for dealing with this question when he made his statement.

This recommendation has been made. It is a recommendation by the majoriy of the commission. There was a dissenting voice to the effect that in fact no such subsidy should be given the railways. It is a responsibility of the government to decide whether or not it is going to implement this recommendation made by a commission set up by the government.

The Prime Minister has already stated that at least some of these recommendations will be dealt with by the government and brought before parliament. We will be very interested to see which of these recommendations are so brought. If this particular one is treated in that way and appears before us as a government proposal for action, we will be glad to make known our position as a party when it appears.

Mr. Jones: You apparently do not take the same position as that taken by the hon. member for Laurier.

Mr. Pearson: The hon. member for Laurier has never taken a position that contradicts what I have just said.

Hon. J. M. Macdonnell (Greenwood): Mr. Speaker, I just wish to comment for a moment or two on some remarks made by the hon. member for Port Arthur (Mr. Fisher). The hon. member for Port Arthur seemed to think he was going to embarrass us in this party by referring to the fact that the Prime Minister (Mr. Diefenbaker) had said we were in favour of private enterprise. So we are, but we are also in favour of common sense.

A great leader of our party used a phrase of which I like to remind people again and again. I am referring to Mr. Meighen. He spoke about the "immortal grounds of common sense". I like to think that I belong to a party that tries to look at things in a common sense way. If we look at our society in a common sense way we know it is not pure private enterprise, free enterprise or public ownership; we have a mixture of these things in our economy.

I am quite ready to proclaim, on behalf of our party we have gone into certain aspects of public ownership because we thought it was practical, good business and common sense. I refer particularly to the hydro-electric in Ontario, which I suppose it is fair to say was instituted very largely by a Conservative government. It got under a full head of steam in the days of Sir James Whitney. I may also refer to the C.N.R. and Right Hon. Arthur Meighen in the days of the first world war. He had a great deal to do with the setting up of that railway.

We remember what happened. We remember there had been a rather extreme orgy of railroad building in Canada in the early years of the century. Both parties had a good deal to do with that, so honours are equal there. We were a bit too enthusiastic. In the days of the first war the situation grew acute, and I suppose Mr. Meighen was responsible more than anybody else for setting up the C.N.R. roughly in its present form. So when the hon. member for Port Arthur twits us and wants to know what we stand for, I will say to him that we stand for common sense, and when we run into a situation of this kind when by reason of what has happened in the past—and the judgment of both parties enters into this—we have set up an organization—I refer to the Canadian National Railways—which has been loaded up, as we all know, by a lot of unprofitable lines and become a kind of basket into which everything was dumped. When such an operation encounters difficulties and is in need of assistance I make no apology for belonging to a party which comes along in a practical way and gives it assistance. It does not worry me if somebody says it is a form of grant and that we are subsidizing the railways. This is the situation we face, and I hope we shall always continue to face such situations in what I regard as a non-doctrinaire, practical, honest, straightforward way.

Mr. Fisher: Could I ask the hon. member a question? I think we would all like to be apostles of common sense, but does he not see that when a party and its leader espouse such a clear-cut issue as free enterprise versus socialism it does raise questions with regard to the payment of this and other subsidies.

Mr. Macdonnell: Anyone who wishes to argue that question may do so. The Prime Minister is the leader of a party which as I said a minute ago is bringing in this subsidy, and if the hon. member wants to argue that this is entirely inconsistent, he may, of course, do so. But we live in a practical world. I like to think that we belong to a party which is pledged to the preservation of private enterprise. However, this does not mean you have to tie yourself to a doctrinaire position and refuse to recognize practical considerations when they arise. I suspect that the hon. member for Port Arthur possesses a good deal of that frame of mind. I do not think he is doctrinaire.

Mr. Pearson: Perhaps I may ask the hon. gentleman one further question. Would it be fair to describe his position as this—that the Conservative party is moving left, the C.C.F. is moving right, and soon the twain shall meet, leaving the Liberal party as the party of common sense?

Mr. Macdonnell: I shall not match myself with the leader of the Liberal party in hair splitting of that kind. I am content with our position. I think we know where we are. I believe we stand on the ground of common sense and I am content to stop there.

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

Some hon. Members: Question.

Motion (Mr. Balcer) agreed to, bill read the second time and referred to the standing committee on railways, canals and telegraph lines.

CANADIAN NATIONAL RAILWAYS ACT

AMENDMENT INCREASING NUMBER OF DIRECTORS

Hon. Leon Balcer (Minister of Transport) moved the second reading of Bill No. C-94 to amend the Canadian National Railways Act.

Mr. Chevrier: Is the minister going to make a statement in connection with this measure?

Mr. Balcer: As I stated during the debate on the resolution stage, this bill is simply to provide for an increase in the number of directors of the Canadian National Railways from seven to 12. A full discussion took place on the resolution stage, and as the legislation makes only this one amendment I do not feel there is any need for me to make a further statement at this time. The bill is very simple. It is practically word for word the same as the resolution. That is all I have to say at the moment.

Hon. Lionel Chevrier (Laurier): We had a discussion on this bill last evening and I think the position taken by those on this side of the house was made clear. However, we did have at least one extraordinary speech made by the hon. member for Vancouver South (Mr. Broome) and I should like to refer to some of the things which were said on that occasion before turning to another matter.

The hon. member for Vancouver South was highly excited last evening and I suppose one could excuse him for some of the things which were said. For instance, as reported at page 4848 of *Hansard* of May 15, he continued by saying this:

> We were also treated to a dissertation by the hon. member for Laurier on how the Canadian National Railways was set up. It would be a free enterprise company which would operate outside of the control of the department. The minister would report to parliament on behalf of the company but would have nothing to say about its operations.

The hon. member continued to that effect. Well, one has only to read the statement which I made to become convinced that I made no such dissertation. I made a passing reference in one sentence to the position of the C.N.R. and that will be found at page 4843 of *Hansard* of the same date. This is what I said:

> The minister likes to say in the House of Commons that he does not direct the affairs of the Canadian National Railways but that it administers its own affairs, and that he represents it and reports on its behalf in the house.

That is a position which I think all hon. members will accept. It was not a dissertation. It was just a simple sentence in passing.

Then the hon. member for Vancouver South said:

> We were told in the committee, coming back to the setting up of this company, that it was not for politicians or members of parliament to put their noses into the business of this company; that this was part of the function of the management and we were simply there to receive the report of the management on the way the railway had been operated.

I challenge that statement. I have no recollection of any member being told anything of the kind in that language during the proceedings of that committee. But what I have always been told, and what I have always respected when I sat on the other side of the house and, what I hope, the present minister would respect, is that there shall be no political interference with the management of the C.N.R. If that is what the hon. member for Vancouver South is seeking, namely, to have members of parliament interfere politically with the affairs of the Canadian National Railways, I say to him and to others of a like mind that that would be a sad day. The establishment—the board of directors and the administrative section of the C.N.R.—is there to administer the railways. There were days in Canadian history when there was political interference with the affairs of the railway. Those were sad days and I hope they will never occur again. When we were in office we repeatedly took the position in connection with the C.N.R. that the affairs of the railway were to be managed by the company and that there should be no political interference. Certainly, I have not heard it said that things should be otherwise, except in this statement of the hon. member last evening.

Then at page 4849, referring to myself, he said:

> He talks about curtailing expenses on the part of the public; he says that the public are against curtailing C.N.R. expenses and by inference that means that the public desires that there should be a deficit on the part of the C.N.R. This is what it means. He means that the C.N.R. is not to be made a profitable, efficient operation.

Never, in any of my remarks have I either directly or indirectly inferred that that should be the case. If the hon. member will look at page 4844 of *Hansard* he will see that I said:

> The deficits of Canadian National Railways this year is probably one of the highest in its history. The estimate given for 1961 is not too encouraging. What it will be I am unable to say but it will

certainly be substantial, and if the recommendations of the royal commission on transportation or part thereof are not implemented then, of course, the deficit will reach astronomical figures.

I made one other reference to the Canadian National Railways in that respect. A little earlier I said:

There has also been a fairly substantial reorganization of the various districts of Canadian National Railways recently. I am told this is in an effort to curtail expenditure, a move, incidentally, which is extremely unpopular with the men and with the public.

Then I said:

Notwithstanding that reorganization, it is still found necessary by the government to increase the board of directors.

Where is there any reference directly or indirectly in this statement, or any place else in what I said last night, that I favoured a higher deficit for the Canadian National?

Then, the hon. member got terribly exercised over the statement I made concerning regional representation. "Take the men where they are", he said. "Get good men, no matter where they come from". Look at the annual reports of the Canadian National Railways and see what the government has done. It has made regional appointments. All one has to do is to look at the annual reports of the Canadian National Railways to see that that policy which was established by the earlier administration was followed in 1957. There were seven directors in that year, two from Ontario, two from Quebec, two from the west and one from the Atlantic provinces. In 1958 two new appointments were made on the basis of the same regional representation. In 1959 again we had the same group of directors, two from Ontario, two from Quebec, one from the maritime provinces—

An hon. Member: And none from the west.

Mr. Chevrier: Two from Ontario, two from Quebec, two from the west and one from the Atlantic provinces. Then, we have the 1960 report which will be under study when the committee on railways, air lines and shipping is set up. I have the names before me. There are two from the west, two from Ontario, two from Quebec and one from the Atlantic provinces. It is the same regional representation. What is the matter with regional representation? Is it not what the present government has done with reference to the royal commission on transportation? The commissioners were taken from regional parts of Canada. It seems to me that there is nothing abnormal or nothing that is against common sense in having it done in such a way. But my hon. friend rises and becomes highly exercised because I suggest regional representation. That principle has been followed by the present government and I am sure that when they come to appoint the additional directors—which I hope they will not do—they will not appoint them all from one section of the country but they will give regional representation because it seems to me that is the object of a crown corporation. The purpose is to see that representatives of the various regions are on the board so that they can make known to the board of directors of the Canadian National Railways or of any crown corporation the interests of the various parts of Canada. Certainly this is true with respect to many other crown corporations which I have mentioned.

In conclusion, I need only state that it seems to me regrettable the government should seek to increase the number of directors of the Canadian National Railways at this time when there is no indication that it will mean more business, when there is a decrease in the number of employees of the railways, when there is a reorganization which is most unpopular and particularly when there is a tremendous amount of unemployment. Under all these circumstances it seems to me that this is not the time to increase the directorship of this company.

Mr. R. H. Small (Danforth): Mr. Speaker, I hope I am on the right spot now. After listening to the remarks of the hon. member for Laurier I can probably get on to the subject which is the matter of increasing the board of directors from seven to 12; in other words, adding five extra directors. This brings back to my mind a time when there was a motion before the house having to do with lending the president of the Canadian National Railways to the government of Mexico for six months with the purpose in mind of rehabilitating the railway of that country. I recall that the then member for Toronto Northwest (Tom Church), who afterwards became the member for Broadview, was heartily in favour of it. In fact, he was going to support the motion. The president at that time was Sir Henry Thornton, for whom he did not have a very high regard. It was suggested that the motion would apply first for only six months, but he suggested that it be 365 days for next year and for five years hence and put the motion through as a local improvement.

The legislation before us has to do with increasing the membership of the board. The hon. member for Laurier says that he does not see any reason why the membership should be increased because we have a great deal of unemployment. I would say there are good reasons for increasing the membership of the board. We should have more people on the board, but they should not be there from the regional point of view; they should not

be on the board for the reason suggested by the hon. member for Port Arthur, namely that it would add prestige. We should get men of business renown who would help to increase the business of the railway. The hon. member for Greenwood made the same statement and I think it is quite reasonable.

The board of directors should consist of practical men who know how to run the railways and would run them as the president did in the days when Tommy Church was the member for Broadview. The president at that time was a railway man and had great experience in the first war. He made a fairly good job of running the railroad. In fact, he was very popular with the railroad men because he made a real good job of public relations. He was highly admired by the men. The same cannot be said of the president of the Canadian National Railways at the present time.

I have said in the past in this house that I am not an idolater of the president of the Canadian National Railways, nor am I enamoured of the work he has done as president of that organization. I have repeatedly said that to my way of thinking he is not the proper man in the right place, and this is the time to discuss it. I have repeatedly made remarks along this line and I have found out one thing. It seems to me there is a coterie of members in this house who seem to regard him very highly. If you make any remarks about him with which they do not agree they assume right away that it is almost treasonable. They start to go after you. This is the way I see it. If you gore or goad one of their sacred oxen they immediately put you down as looking for the job. One thing is certain. I am not looking for the job. I have no inclination that way. I have no intention of seeking it. I do not suppose anyone in this house would care for the job under the conditions under which it is operated at the present time.

However, now that we are taking steps to increase the board of directors I presume it is being done for the purpose of improving the board. When I first read the bill I thought that here was an operation like that which Tommy Church tried to carry out in order to get rid of the president at that time. I thought that this would be a good opportunity to dispose of the president of Canadian National Railways, not because we want to do him any particular harm but because he has appeared before committees of this house and not only has defied them but has told them that if they were not satisfied with his services they should get rid of him because he did not want to be there and we should oblige him.

[Mr. Small.]

There are enough people throughout the country who are not satisfied with his services, particularly those who are working for Canadian National Railways. I have had many of them write to me and call me on the telephone and having sorted out the ones you would not pay attention to from those putting forward genuine criticisms and offering suggestions for improvement but who do not want to have their names mentioned I would say this is the time to discuss the matter of what you are going to do with the board and whom you are going to appoint. I would say at the salary—

Mr. Deputy Speaker: Order. I must warn the hon. member that I think he is discussing a matter which is not within the scope of the present debate. I do not see how he can relate the choice of directors or the services of the president of Canadian National Railways to the bill which has only one effect, to increase from seven to 12 the number of directors.

I might also indicate to the hon. member that yesterday the house passed a motion setting up a committee to review the accounts and operations of Canadian National Railways and Trans-Canada Air Lines, and I think that would be a much more appropriate place to discuss matters like the ones into which the hon. member is now venturing.

Mr. Pickersgill: May I say a word on the point of order Your Honour has raised because it seems to me you have raised a fundamental point with respect to the rights of members. Mr. Gordon is not just the president of the railway. He is or was—it seems a little hard to find out which—a director, and surely we are not going to say we ought to have 12 pigs in a poke instead of seven pigs in a poke, which would seem to be the effect of the suggestion made by Your Honour. Surely it is competent to the hon. member for Danforth, who is always anxious to obey the rules of the house, to be able to say if he wishes to do so that he would like to see 12 directors if they are this kind of director but he would not like to see 12 if they are that kind of director. It seems to me that is the essence of the matter.

I said last night on the resolution stage and I repeat now that I am against the bill because I suspect that the government is going to appoint a lot of Tory ward heelers, but surely the hon. member should have the same freedom to speak that I had and that is what I am trying to seek for him.

Mr. Small: With respect to your ruling, Mr. Speaker, I really thought I was discussing the directors who were going to be appointed.

Mr. Deputy Speaker: If it is the wish of the house that the hon. member discuss this point I have no objection, but I will tell the hon. member for Bonavista-Twillingate that he has not convinced me that an increase in the number of directors from seven to 12 brings in the problem of personalities. It is simply a problem of number.

Mr. Small: Mr. Speaker, I would say that from the point of view of economics and saving money the advice of the house in regard to the selection of directors is very appropriate. When you are sizing up the directors you are going to appoint you have to bear in mind that some of them are in receipt of exceptionally high salaries and by removing the one who is receiving the highest salary of all you could then appoint others at lower salaries and make a great saving there while at the same time there would be a vast improvement. You could appoint the kind of directors who would be more acceptable to the people of Canada to run the railway.

The matter of free enterprise has been discussed. The only free enterprise I can see is that when a train comes into the Ottawa and Toronto stations the passengers are dumped off with the freight and the only freedom the passengers have is the freedom to walk a long distance while the freight is carried away by truck. Perhaps I might put the matter this way. A farmer was taking a load of manure to his friend's place about ten miles up the road and a hobo stopped him and asked him for a lift. The hobo went to get in with the farmer but the farmer told him to get on the back on top of the load of manure. As the farmer was going up the road a friend stopped him and said, "What have you got there"? He said "I have a load of manure and a hobo". A little farther along he was asked the same question. He was asked the same question four or five times and he replied, "I have a load of manure and a hobo". Finally another friend of his came along and was about to ask the same question when the hobo said to the farmer, "The next time when you are asked what you have would you mind giving me the preference"? All I am asking is that the passengers at least get the preference when they arrive at the station. This is the kind of deal the president has been giving the passengers in the past and it does not go over very well.

I can also remember when the railway was first started. I believe D. B. Hanna was the president at the time. I can remember a speaker waxing eloquent on the platform about how this great Canadian National Railways had been brought into existence by taking the Intercolonial, the Grand Trunk Pacific, the Canadian Northern and other bankrupt railways and bringing them together into one great railway system. He said, "Think of it, it is yours, it is mine, it is ours. We can ride on it". One fellow in the audience was not taken in so easily and he said, "Do you mean to say we own that railway"? The speaker said, "Of course, we do". The second fellow said, "We do not have to pay any fare on it"? The speaker said, "Oh, no, I never said that". The second fellow said, "Then what difference does it make who owns it if we have to pay to ride on it"?

If we are getting to the point where we are going to provide cheap transportation for everyone it does not matter who owns the railway but we have to have competent men as directors to do this job. I am supporting this motion if the government is getting rid of its high price help. I get a great kick out of listening to members of the opposition, these paragons of political virtue. They think that no one else can administer this country as they have, but the Conservatives have always given good service and this will be another instance if we have new members on the board of directors. We can advise these new directors what is needed. It is about time we had a change. At the same time we will economize by removing the top man and letting him go to that job he was offered which pays $125,000 a year. He will get an increase in pay and we will have a much needed improvement. We can get the job done for less money and at the same time a better job will be done.

(Translation):

Mr. Bourget: Mr. Chairman, I do not intend to speak at any length on this legislation because I promised the minister I would be brief. Besides, I wonder why this piece of legislation is being submitted. I have been sitting here for 21 years, and frankly, I have never seen such an insignificant and useless bill.

When I got here last evening, I read the remarks made by the Minister of Transport (Mr. Balcer) when he introduced this legislation, and I noted that he did no more than outline the historical background of the C.N.R. board of directors, and to say how many members there were on the board of directors of other railway companies. I tried to find a single argument that might cause the members of this house to support this legislation, but found nothing that might

justify an increase from seven to 12 in the number of board directors, except perhaps that such a change might provide, as the minister said, a better geographical representation in the C.N.R. management.

In my opinion, the remarks of the minister indicate that neither he nor the former minister of transport are convinced of the necessity and the usefulness of that change.

It is not my intention to repeat the arguments put forward yesterday and this afternoon by the hon. member for Laurier (Mr. Chevrier), because he clearly set out our party's stand. As the minister knows, however, this railway matter is of particular interest to me because there are several hundred people in my riding who are employees of the C.N.R.

I had an opportunity, during the budget debate in January, to make certain suggestions which I feel would have produced more significant results both for the railway company and for its employees. The minister knows from experience that the mere fact of increasing from seven to 12 the membership of the board of directors of this crown company will in no way reduce the deficit, or the number of lay-offs.

I am still wondering why a measure such as this is being introduced at the end of the session, when we have so many serious problems to deal with. I wonder whether the Conservative government still has friends with nothing to do and whether appointments must be made in order to satisfy those friends. Well, under the circumstances I do not think that the house should be called upon to adopt such a bill. In my opinion, one way of providing this company with the assistance it needs would be to endow the C.N.R. research division with the required sum of money so that a solution may be found to the problems now facing it.

The minister should now know, after discussing the point with the company's high officials that automation and the new technological developments have created problems that must be urgently met if we want the C.N.R., which is now in a bad situation, to continue its operations. The necessary answers to those problems must be found.

There is another matter which looks as important to me. I do not know whether the minister ever had the opportunity of meeting railway employees, but certainly he must have realized that the morale of the C.N.R.'s 70,000 to 75,000 employees is at a very low ebb.

[Mr. Bourget.]

Mr. Chairman, those workers, who have been with the railway for 10, 15, 20 or 25 years or even more, have been living in uncertainty in recent years. They are worried about the future.

I hope the minister will confer with the C.N.R. authorities and discuss the matter with them.

I do not want to speak at length on this matter today, because I know that the minister has to leave soon. I hope, however, to take up this subject again when his estimates are before the house.

Once again, for the reasons set forth by the hon. member for Laurier, and for the few reasons I have mentioned myself, I suggest that this bill is altogether useless. The $35,000, $40,000 or $50,000 that we shall spend on salaries for these new directors could certainly have been put to better use.

I see the minister is shaking his head. Yet he knows very well that the issues now confronting the C.N.R. will not be settled by the appointment of those five new directors.

When making his statement, the minister did not justify this legislation on any valid ground.

Mr. Chairman, this is a far cry from the promises made by members now sitting on government benches. I remember, for instance, that before 1957, the former minister of transport always rose in immediate protest whenever there had been any dismissals.

Well, Mr. Chairman, for the last three years, the minister, when asked what he intends to do about those dismissals, always answers: This is not my business, but the responsibility of the railway management.

Mr. Chairman, the only legislation devised to help our national railways at this time, is this appointment of five new directors.

You may be assured that I am not prepared to endorse this legislation; to me it is completely futile. It can only increase government expenditures without bringing in anything in return.

Of course, Mr. Chairman, I shall vote against the bill.

Mr. Pigeon: Mr. Chairman, I had no intention of rising to discuss this bill. But I was astounded, and even shocked, by the words of the hon. member for Levis when he described this bill as futile.

Mr. Bourget: So it is.

Mr. Pigeon: The government's reason for introducing this bill is that it carries out a

recommendation by a committee of the house of members from all political parties, one of whom, notably, was the hon. member for Kenora-Rainy River (Mr. Benidickson). The hon. member for Levis is therefore being inconsiderate of his colleague for Kenora-Rainy River, who recommended amending the act by enlarging the company's board of directors.

The hon. member for Levis said that the employees' morale was low. Mr. Gordon may be able, but if employee morale is low at this time, it is because Mr. Gordon shows no understanding for his employees.

There is a curtain of steel between Mr. Gordon and the employees of the Canadian National Railways.

As far as I am concerned, I approve the bill, hoping that enlarging the board of directors will help shelving Mr. Gordon and give new hope to the railway employees.

The hon. member for Laurier said yesterday:

The deficit of Canadian National Railways this year is probably one of the highest in its history.

And he continued along the same lines.

In fact, the C.N.R. is feeling increasing competition, mainly from highway transport operators.

I have here a statement from the present president of the C.N.R.

C.N.R. president Donald Gordon expects that his company may lose some $9 million in the first years of competition from the St. Lawrence seaway. Mr. Gordon has stated before the House of Commons railway committee that the company expects a portion of its traffic estimated at $18 million to be directly exposed to competition from the seaway, and another portion estimated at $12 million to be also be affected.

According to Mr. Gordon, the C.N.R.'s deficit is due to the competition from the seaway.

Those are the remarks I wanted to make, Mr. Chairman.

Mr. Caron: Mr. Chairman, I do not intend to use much of the time of this house, but because of the present position of the C.N.R. and the government's decision to introduce legislation to increase the number of its directors from seven to 12, I must say a few words.

This increase in the number of board members, believe me, Mr. Chairman, will not remedy the ills of the C.N.R.

In my opinion, it is of minor importance that we should have seven, 12 or 20 directors. The important thing is to see that the management is improved.

I am one of those who thinks that railway management, not only the C.N.R. but also the C.P.R., has been pitiful for many years.

First of all, they allowed a very important field of operations to fall into the hands of other organizations without thinking of developing it themselves.

I recall that in 1936, talking to one of the C.P.R.'s vice chairmen, I pointed out that his company was losing its secondary line services to bus companies, and its freight traffic to highway transport companies because his company had not seen fit to develop those services itself.

Do you know what the company's vice chairman replied to me, in 1936? He said:

(Text):

It is only a passing fancy.

(Translation):

Well, this "passing fancy" is the cause of the present loss of revenues of our railways.

Therefore, no matter how many or few directors we have on the C.N.R., this legislation will not bring any significant change.

We know that when it comes to choosing directors, a private company like the C.P.R., for instance, will pick men who are financially interested, who are interested in getting dividends.

It may go and get the president or general manager of General Motors or Ford Motors, which make a very wide use of railways and other means of transportation for their cars; and other big manufacturers who may also be interested. But in the case of the C.N.R., those directors merely become civil servants like the others; they are getting no particular benefits, except seeing their names prominently displayed in government reports.

Well, I do not think this is enough. First of all, the C.N.R. services have to be improved.

In December, I travelled to Boston, and I must tell you I have never seen such poor service as the one between Montreal and Boston via the C.N.R. Frankly, it was disgusting, and I understand why people prefer a longer trip via some other line rather than go there via the C.N.R.

Let us therefore start by improving what we already have. As I said just now the number of directors is not so important. I do think, as the hon. member for Levis said a moment ago, that this legislation is more intended to create soft berths for party supporters as was done, incidentally, for the

defeated candidate in Russell who was given a very important position just to keep him out of the way at the next general election.

If this is how it is proposed to improve the C.N.R., it is a mistake. The number of directors is not important, I repeat, but, as the hon. member for Levis said, if that money were offered to the research department of the C.N.R. to determine the cause of the evil, C.N.R. officials could take the necessary steps to improve the situation, and that would be practical and serious. It would be much wiser than to increase the number of board directors from seven to 12, which I consider useless, because they are merely civil servants having no authority to work, with parliament always keeping an eye on them, something they do not like at all.

If they could get something out of it, like directors of the C.P.R., who are shareholders and who receive dividends, we could then hope that 10, 12 or even 20 directors would improve the situation.

But what good will result from adding new directors who have no particular interest in the company? I think this would entail a useless expense which will bring no profit, but rather an additional deficit, to the C.N.R., and that will not help the railway workers either.

These last few years, the company appointed many superintendents and, at the same time, has cut down substantially on the number of its employees. This service should be reorganized, for not only is the public questioning the efficiency of the C.N.R. management but employees too no longer have confidence in the management. You might claim that some of the directors were appointed under a Liberal government. That is not the point. When there is something bad somewhere, I am not afraid to say so and even to admit as much. I say there is something wrong in that field, and it is not by increasing the number of directors that we are going to set things straight. It is a matter of finding the appropriate means of improving the whole system of transport in all its forms. I for one would say that the best way would be to provide the research department with more money, so that it can seek a way out of the present difficulties, and not to appoint 12 directors as suggested by the minister.

(Text):

Mr. Deputy Speaker: I recognize the hon. member for Vancouver South.

An hon. Member: Again?

[Mr. Caron.]

Mr. E. J. Broome (Vancouver South): Yes, again. Mr. Speaker, before I answer some of the statements made by the hon. member for Laurier (Mr. Chevrier) I should like to say this to the hon. member for Levis (Mr. Bourget) who stated so emphatically that he tried to find one argument for increasing the number of directors but could not find one valid one. If he would compare the operating statements of the C.P.R. and the C.N.R. over the past few years, he might find a few arguments. He might find an argument in the fact that the C.N.R. deficits over 1960 and 1959 were $110 million which were paid for by the taxpayers whereas in the same two years the C.P.R. contributed $53 million in the form of corporation tax payments. If you have a business operation and are not too successful and if you have very successful competitors, the wise businessman takes a look at the practice of his competitors and is not afraid to copy any of the practices which he feels may be of advantage to him.

Turning to the hon. member for Laurier, may I say that there are several matters I wish to discuss with him. I should like to quote from page 4844 of *Hansard* with regard to what he had to say about representation geographically on the board of directors. This is the way in which he starts out:

> There is, of course, another very serious matter to which consideration must be given and that is territorial representation. That question is inevitably going to arise if the directorship is increased. This question is going to arise if the number of directors is such that there is likely to be more than one representative for each province, and that is, of course, what is going to happen here. Twelve directors will mean that there will be more than one director for each province. When there is one director from each province it seems to me that unquestionably there is a solemn duty to represent the interest of that province without, of course, neglecting the national interest. If there are two from a province you may well find that sectional divisions will arise.

Then the hon. member goes on to say this:

> Then there is the question of the representation of the province of Quebec if there are 12 directors. With 12 directors it will be expected that the province of Quebec will be accorded equitable representation having regard to its population. If it does not get such representation I need hardly tell the minister that he will hear about it in due course because he has repeatedly stated that the C.N.R. was not fair and just to his province. I am not going to put on the record the statement he has made. I have used it before and I do not think this is the opportune time to repeat it.

Then the hon. member goes on to say in the next paragraph:

> It seems to me that the directors ought to be appointed from the point of view of their competence rather than from the point of view of geographical and political interests.

You get these statements coming from both sides of the mouth of the hon. member for

Laurier. If he wishes to quote his espousal of the interests of the provinces, he has one paragraph. If he wishes to say what a broad-minded gentleman he is, looking only for the best men to do the best job, he has another paragraph. All through this speech we can find this double talk. The hon. member can see that this is so, if he looks at the record.

The hon. member accused me of wanting narrow, regional representation, whereas my plea was for broad, regional representation very much along the lines that we have at the present time. However, I think we should have a larger representation from Ontario and Quebec simply because those directors could get together more often and more easily, and this board of directors must be a functioning and working board.

Then the hon. member for Laurier suggested that I was advocating political interference. He quoted from page 4848 of *Hansard* to substantiate that charge. This is just as much misrepresentation on his part as he accused me of last night.

> We were told in the committee, coming back to the setting up of this company, that it was not for politicians or members of parliament to put their noses into the business of this company, that this was part of the function of the management and we were simply there to receive the report of the management on the way the railway had been operated.

The hon. member for Laurier says this means I want political interference. For the hon. member's information, it means that I want the sessional committee to have the power to get straight answers to questions put by members of the committee, rather than having the president of the company hiding behind the fact that this information is not in the public interest, or it is before a royal commission, or any of the numberless excuses we were given in place of the information we sought.

This paragraph has to do with the securing of information from the railroad when its representatives are appearing before the committee. The hon. member was not of too much assistance in trying to dig out this information.

When I say we were also treated to a dissertation by the hon. member for Laurier on how the Canadian National Railways was set up, this is in essence true but it is not true in context. What I meant and what I should have said was that this lecture was given to us in committee by Mr. Gordon more or less on the prompting of the hon. member for Laurier.

The hon. member recalled to Mr. Gordon how the C.N.R. had been set up and how it was not responsible to parliament but reported to parliament through the minister. Mr. Gordon very kindly put on the record all the statements of Mr. King and others at the time the C.N.R. was set up. I am speaking strictly from memory, but I am quite sure that essentially I am correct in what I am saying about the happenings in that committee meeting.

The hon. member for Laurier, as reported at page 4843 of *Hansard*, stated categorically:

> We on this side of the house will oppose this legislation.

I venture to guess, Mr. Speaker, that there has been no Liberal caucus on this legislation and that the hon. member for Laurier is talking for the hon. member for Laurier and not for all his colleagues on that side of this house. I can assure the hon. member that I know many of his colleagues who hold the same views on this question as hon. members on this side of the house. At least one of them is on record three or four times as saying that this is a good move.

When the hon. member said I misrepresented what he said last night and referred to it again today, he quoted the following paragraph from page 4844 of *Hansard*.

> The deficit of Canadian National Railways this year is probably one of the highest in its history. The estimate given for 1961 is not too encouraging.

Mr. Chevrier: On a point of order, Mr. Speaker, I quoted that paragraph from the beginning down to the end.

Mr. Broome: Mr. Speaker, I am quite aware of the fact that the hon. member did so. I was going to quote just as far as I had it marked here.

Mr. Chevrier: I understood the hon. member to say I did not quote it.

Mr. Broome: Mr. Speaker, I did not say that; I said the hon. member quoted this passage.

Mr. Chevrier: I beg the hon. member's pardon.

Mr. Broome: The hon. member for Laurier quoted this paragraph first. Then he quoted the paragraph which is immediately above it. The paragraph immediately above is the one I was referring to and it starts this way:

> There has also been a fairly substantial reorganization of the various districts of Canadian National Railways recently. I am told this is in an effort to curtail expenditure, a move, incidentally, which is extremely unpopular with the men and with the public.

It was from this statement, which says that any efforts to curtail expenditure are unpopular with the public, that I drew the

inference that the hon. member wanted larger and larger expenditures and therefore larger and larger deficits. What he said is quite clear; he said this is unpopular with the public, meaning the public of Canada. I do not understand how the hon. member for Laurier can say that I misrepresented what he said, because it is clear, although in the typical fashion of the hon. member for Laurier he leaves himself a bolt-hole in the next paragraph, in the same manner as he did with regard to the other question.

I should like to put on record a few comparisons. The hon. member for Laurier says there is no point in making comparisons with the C.P.R. because the C.N.R. is a crown company. The fact that they are both railroads and are both engaged in almost identical operations does not seem to have any bearing on the matter. The hon. member felt that the C.N.R., because its number of employees had been reduced, did not need additional directors in order to increase efficiency or improve over-all management. In fact, the inference was—although this was not said—that because the number of employees had been reduced, therefore the number of directors might well be reduced.

There is a chart in the annual report of the C.N.R. which gives the figure of employees of all services. One has to interpolate on this chart, Mr. Speaker, because these figures are not exact. However, the number of employees in all services of the C.N.R. is 97,000; for the C.P.R. the figure is 74,000. The mileage operated by the C.N.R. is 26,000, and for the C.P.R. it is 17,000. The number of directors for the C.N.R. is seven, and for the C.P.R. it is 24. But the C.N.R. has a very fine record in regard to the number of vice presidents. They certainly come up well there, because they have 17 vice presidents as compared with 12 on the C.P.R.

The total number of officers in the C.N.R. is very fine too. They may not have many directors, but they have 28 officers on the C.N.R. as compared with 19 on the C.P.R. I also wish to put on record the deficit position of the C.N.R. and the surplus position of the C.P.R.

All these things would, I think, lead any reasonable person to assume that there is something wrong with the operation of the C.N.R. I should like to make one suggestion to the minister, and it is not referred to in this bill I would ask the minister to ensure that, by regulation or however it may be done, the executive committee of the C.N.R. become a functioning committee and a real executive committee.

I say this because at the present time the executive committee of the C.N.R. consists of two directors and the president. They meet monthly, as I understand it, in order to ratify the acts of the president. However, it is not necessary that the same two directors be picked by the president each month to ratify his actions. The president may pick any director any month. The executive committee is not set up as a working committee of the board of directors, or so I have been given to understand following questions asked in the sessional committee. The president appoints the executive committee, and that is the point I was trying to make when I said the C.N.R., set up to have all the advantages of free enterprise, operates with none of the disadvantages. It is impossible to call the head of the railroad to account for the operation of the affairs of the railroad. That accounting is made to a hand picked group appointed by the president himself to ratify his actions, and this is the so-called executive committee.

If we refer to the C.P.R.—and I think it might be well to follow the lines of a successful operation—we find that the executive committee consists of seven directors who are named in the annual statement. It is they who ratify the acts and the decisions of the officers of the company. This makes sense. The other system under which the C.N.R. is operating certainly does not make sense. I do not know whether this should be written into the bill or how it would be undertaken, but I certainly believe that something should be done to set up a proper, functioning executive committee of the board of directors.

I think I have now made the contribution which I set out to make to this debate. I believe this is a good measure, and I am sure that hon. gentleman on the other side also believe it is a good measure. In my opinion it will do much to restore the confidence of the public and the confidence of many individual members of parliament in the operations of the C.N.R.

Hon. J. W. Pickersgill (Bonavista-Twillingate): I had not intended to take part in this debate, but some of the statements made by the hon. member for Vancouver South need to be dealt with, and dealt with in serious fashion. The hon. member has advanced one reason why we should be in favour of this bill, and I think that reason should be given somewhat more emphasis than he placed upon it. He said we should appoint five more directors to the board of the C.N.R. in order to end the deficit. That is what he said. Look at the C.P.R., he said. They have 24 directors and they pay income tax; the C.N.R. has only seven and it has a deficit. So we should take a lesson from the C.P.R., and by increasing the number of directors there will no longer be a deficit.

I suggest there are more fundamental reasons why the C.N.R. has a deficit. I consider the fact that this argument, though so infantile, is the only argument which has been advanced so far in favour of this bill, shows what a threadbare thing this measure is. It is for that reason we are opposed to it. The hon. gentleman got excited about the suggestion by the hon. member for Laurier that if there were 12 directors the government would still have to pay attention to territorial representation. I was amused last night when no sooner had the hon. gentleman sat down than his colleague from Jasper-Edson (Mr. Horner) and then, as soon as he could speak afterwards, his colleague from Peace River (Mr. Baldwin) rose to say how important it was to have a director from Alberta. So that even though the high minded member from Vancouver South said British Columbia does not need a director he finds his colleagues from Alberta rising at once to say that if there are to be any more directors we should have one from Alberta.

An hon. Member: That would be a good thing.

Mr. Pickersgill: It may or may not be. I would imagine that the hon. member for Bow River (Mr. Woolliams) would support his colleagues from Alberta and would not support the hon. gentleman from Vancouver South. The fact of the matter is that those of us such as my hon. friend from Laurier (Mr. Chevrier), the Minister of Transport (Mr. Balcer) and the Minister of Veterans Affairs (Mr. Churchill) who have had some experience with government know very well that when you establish a board of this kind, particularly to administer an operation which is carried on in every province, if you have 12 directors and do not have a director from every province you are in deep political trouble. Indeed, hon. members opposite campaigned very vigorously not so long ago against us because, they said, we did not have a minister from Prince Edward Island. They were going to change all that. Do hon. gentlemen opposite suppose, considering how much the C.N.R. means to Prince Edward Island, that this government would dare to ignore Prince Edward Island when they have 12 directors to appoint? As a matter of fact I should not be a bit surprised if the defeated candidate in King's after May 29 should become one of those 12 directors.

Some hon. Members: Oh, oh.

Mr. Pickersgill: That is probably a better reason for bringing in this bill, from the point of view of hon. gentlemen opposite, than any reason they have advanced up to now. It may be that notwithstanding the self-denying ordinance of the hon. member for Vancouver South the defeated candidate in Esquimalt-Saanich will qualify as a director from British Columbia and it may be that the defeated candidate in Leeds will be a director—

Mr. Broome: On a point of order. The hon. member for Bonavista-Twillingate is deliberately misrepresenting what I have said.

Mr. Pickersgill: That is not a point of order.

Mr. Broome: He is saying I have said things I have not said and I want to have the opportunity of pointing out—

The Deputy Speaker: The hon. member may rise after the hon. member for Bonavista-Twillingate has resumed his seat to correct any misrepresentation about which he complains.

Mr. Pickersgill: I do not want to misinterpret the hon. member and I think it would be more fair to him, if I have said anything which misrepresents him, to allow him to correct it at once.

Mr. Broome: The hon. gentleman said the hon. member for Vancouver South said that British Columbia does not need a director on the C.N.R. I did not say one was needed or not needed. I never even mentioned it. Second, he said that I said that adding five directors to the C.N.R. would automatically lead to the cancellation of the deficit. This is sheer childish nonsense and it was not said by me either directly or in any manner.

Some hon. Members: Five o'clock.

Mr. Chevrier: No. My hon. friend allowed him to reply.

Mr. Pickersgill: The hon. member is right. He did not say there should not be a director from British Columbia. What he did say was that no attention should be paid to geography that we should appoint the best men wherever they are available. That is what he said, but it is not what his colleagues from Alberta said. As far as the other matter is concerned, I think the record will speak for itself.

I am advised that it is five o'clock. I shall have something more to say.

The Deputy Speaker: I am sorry to say that it being five o'clock the house will proceed to the consideration of private and public bills.

Mr. Churchill: Before you leave the chair, may I announce for the convenience of the

house, and to accommodate a number of members on both sides who have various engagements tonight, that at 7.30 we shall carry on with the resolution stage of the War Veterans Allowance Act. Consideration of this bill will be resumed tomorrow.

Mr. Chevrier: Do I understand the leader of the house to say that tomorrow we shall continue with this bill in lieu of estimates?

Mr. Churchill: No. We shall complete the bill and then deal with estimates if that is satisfactory.

Mr. Pickersgill: We only sit until one o'clock tomorrow.

Mr. Churchill: I imagine that the hon. member for Bonavista-Twillingate has not much more to say on the bill. Afterwards the minister would reply and we would complete the bill.

Mr. Chevrier: Then we would go into committee. Is it the intention to deal with this bill in committee of the whole? As far as we are concerned, there is no objection to the procedure.

Mr. Churchill: It is convenient for the minister. If it is convenient for the other side of the house, that would be the arrangement.

Mr. Pickersgill: It is not very convenient for me to have my speech cut in two in this fashion. If hon. gentlemen find it more convenient I have no doubt I will be able to pick up the thread later on.

Mr. Deputy Speaker: I understand the hon. member for Bonavista-Twillingate moves the adjournment of the debate?

Mr. Pickersgill: That is correct.

On motion of Mr. Pickersgill, the debate was adjourned.

PRIVATE BILLS

CO-OPERATIVE LIFE INSURANCE COMPANY

The house in committee on Bill No. S-12, respecting Co-operative Life Insurance Company—Mr. Pascoe (for Mr. Ormiston)—Mr. Flynn in the chair.

On clause 1—*Voting.*

The Chairman: Shall clause 1 carry?

Mr. Winch: I have not a copy of the bill.

Mr. Peters: Mr. Chairman, I was interested to note today something to which I think we should give consideration. I raise it now but I am not sure whether I should raise it as a point of order or in speaking on the bill itself. You will notice, Mr. Chairman, that this is a Senate bill. I have checked the committee hearings of the Senate and I have found that there is no report of the committee meetings of the Senate.

When a bill originates in the Senate the normal procedure is for them to give their whole consideration to it. People are brought before the committee of the Senate and questions are asked. A great deal of information is made available. That information should be made available to us.

In checking over the records of our own banking and commerce committee, which dealt with this bill, I find that no record was made of discussion of the bill in that committee. Therefore, this committee has not the advantage of the information that is normally given to hon. members and hence we have no way of knowing the reasons why objections were made to this bill. I raise this question particularly because our order paper indicates that the bill was amended in committee. We have no report of the discussion that took place on the amendment or what led up to the amendment. I will be surprised if there was any discussion of the amendment itself.

It seems to me that when a bill originates in the other place we should have the advantage of securing the evidence made available to the Senate itself. When a bill is introduced in the House of Commons and is sent to the banking and commerce committee the normal procedure is to have a record made of the minutes and proceedings, and those who are not members of that committee have the minutes and proceedings made available to them. In this instance there were two opportunities for this to have happened. First, when the bill went before the committee of the other place, and second when it went to our committee. No record of the proceedings of either place is available. This is something that should not be allowed to happen. I would suggest that this bill stand until records are available of the discussion and why the amendment was made. There is another reason why this bill should stand at the present time. I presume the sponsor is the only one who would be in a position to give us the information we may want, but he is not in the house at the present time. This would be an added reason why the bill should not be proceeded with now.

I strongly urge the committee to give consideration to this matter of not keeping records. It has happened in the past. This is my first experience of a bill going through committees of both houses and no record being kept of the information made available to hon. members who are not members of

those committees. This lack of information makes it difficult for us to come to a decision on the bill or on the amendment to the bill.

Mr. Pascoe: Mr. Chairman, perhaps before you make a ruling on the argument of the hon. member for Timiskaming I may be permitted to briefly outline the background of the bill. I am surprised to find the C.C.F. group opposing a co-operative bill at this time.

Mr. Argue: On a point of order, I must—

Mr. Peters: I have not opposed the bill.

Mr. Argue: On a point of order, the hon. member—

Mr. Jones: The hon. member for Moose Jaw-Lake Centre is speaking to the point of order.

Mr. Argue: Then, on a question of privilege—

Some hon. Members: No.

The Acting Chairman (Mr. Morton): Order. Is the hon. member speaking to the point of order, or is he rising on another point of order?

Mr. Argue: I am rising on a question of privilege affecting all the members of this group. The hon. member for Moose Jaw-Lake Centre has said that members of the C.C.F. group are opposing this bill. The statement is false and inaccurate and I ask him to withdraw it.

Mr. Pascoe: I was dealing with the suggestion that the bill be put over for one day. It is a simple bill that could go through quite easily if I were allowed to give some of the background.

Mr. Argue: It will be just as good if it is called next day.

Mr. Smith (Simcoe North): Under certain circumstances I might agree with what the hon. member for Timiskaming has said and, indeed, in committees, particularly committees dealing with pipe lines and other corporations which come to parliament and make promises I have raised the same point; but the point dealt with in this bill is so narrow and so technical I do not think there is any valid point of order or valid reason for delaying its passage.

Mr. Regier: What is your point of order?

Mr. Smith (Simcoe North): I am on it. It is not a valid reason for delaying the bill to say there is no transcript of the proceedings.

Mr. Regier: The hon. member is making a speech.

Mr. Smith (Simcoe North): No, I am dealing with the point of order. The point of order was that there ought to be a transcript of the evidence in committee. I am suggesting the reason why a transcript of the evidence in committee would not put us any farther ahead. The explanatory note of the bill is so complete and the point is so narrow there is nothing to be gained by putting it over or having a transcript.

Mr. Pascoe: Mr. Chairman, Bill No. S-12 provides for an amendment to the act of incorporation of the Co-operative Life Insurance Company with head office in Regina, Saskatchewan.

Perhaps I can give the committee a brief history of its passage through the other place. First reading was given in the other place on February 9 and second reading on February 15. It was considered by the banking and commerce committee of the other place and reported without amendment on March 22, 1961. It passed third reading the next day. There are only two proposed changes and these are being made for the purpose of assuring policyholder members throughout Canada that control of the company will not be centralized in Saskatchewan and in particular at head office.

It might be of some interest and in order to give a brief outline of the history of the company. The Co-Operative Life Insurance Company was originally incorporated in 1945 as a co-operative company under the co-operative section of the Saskatchewan insurance act and almost immediately thereafter commenced to sell life insurance. In 1946 a petition was submitted to the government in Ottawa to obtain a dominion charter. The Co-Operative Life has operated since 1947—

Mr. Peters: On a point of order, Mr. Chairman, may I inquire from what document the hon. member is quoting?

Mr. Pascoe: It is a letter from the attorney representing the Co-Operative Life Insurance Company.

Mr. Argue: What is his name?

Mr. Pascoe: November 1, 1957.

Mr. Argue: Who is he?

Mr. Pascoe: The late R. H. Milliken. The Co-Operative Life has operated since 1947 under its present dominion charter and has agents writing insurance in all Canadian provinces with the exception of Quebec. In effect, under clause 1 precautions are written into the act to prevent employees of the company from exercising proxies of other policyholders and thus to prevent the control

of the company from falling into the hands of head office personnel. I think this is very clearly set out in the new section 4 (1) under clause 1 of the bill. Clause 2 of the bill would add a new section 4A to the above-mentioned statute. Its purpose is to prevent the control of the company from being concentrated in any one designated region. This will bring control of the operations of the company in line with a procedure that is followed by most of the co-operatives in western Canada, namely, the procedure of delegate voting. Delegates will be elected annually from each of the six electoral districts set up as follows: British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and the Atlantic provinces including Newfoundland.

Bill No. S-12 was considered at a meeting of the standing committee of banking and commerce of the house on April 19. At that committee meeting the superintendent of insurance indicated that he was not opposed to the proposed changes. As you will note from today's *Routine Proceedings and Orders of the Day*, the house's standing committee on banking and commerce made one slight amendment and that is noted on page 11 of *Routine Proceedings and Orders of the Day* by the words "as amended". Perhaps I might be allowed to outline this brief amendment. The new section 4A, clause 2 of the bill, reads as follows:

(1) Each director shall be elected from a designated region in Canada and, to remain qualified, shall during office be ordinarily resident in such region: Provided—

Here is the amendment:

—that at least one director shall be elected from each designated region and—

Then the clause continues as follows:

—that a director shall not be disqualified under this section while he is removed from such region in the service of the company.

I think that explains the bill fully, Mr. Chairman.

Mr. Argue: Mr. Chairman, I should like to ask the hon. member a question. Would he inform the committee whether he is a member of this company?

Mr. Pascoe: No, I am not.

Mr. Argue: Then I want to raise violent objection—

An hon. Member: Why?

Mr. Argue: —to the accusation of the hon. member that those of us in this group were trying to block this measure because on inquiry I find that a number of members of the C.C.F. group in the House of Commons are policyholders and members of this co-operative. I am a policyholder myself. I hold a policy with this company and it costs me a little money. The hon. member for Burnaby-Coquitlam is a member of the company as is the hon. member for Timiskaming. So I would imagine it would hardly make any sense for a man who has not supported this company by becoming a policyholder to accuse those of us who are policyholders and members of the company of trying to obstruct a measure in which we have a very definite and substantial interest.

We have shown that we are genuine supporters of the co-operative movement and of this life insurance company by doing the very practical thing of taking out a policy or a number of policies. I think this is one of the best companies in the life insurance business. I would say it is the best but I do not want to get into a long argument.

Mr. O'Hurley: Don't spoil it.

Mr. Argue: I am sure the company would accept applications from Conservative members also. They are not particularly fussy about those they accept as policyholders.

Mr. Rapp: There are some Conservatives who are members of the company.

Mr. Argue: I am glad to hear the hon. member for Humboldt-Melfort, who wants to be the member for Humboldt-Tisdale-Melfort, say that. I am going to have something to say about that matter too when it comes up, and I want to assure him I have other amendments to suggest that might very properly be incorporated in the title of the constituency to make it more representative of the area that the hon. member represents. Since he has made this very important interjection, I would be very interested in knowing whether he is a member of this company.

Mr. Rapp: I am.

Mr. Argue: I am glad to hear that. He has also said that a number of his colleagues are members of this company. We would like to have that information too. I think it would be very interesting for the committee to know to what extent Conservative members of the House of Commons are members of this company.

Mr. Jones: On a point of order, Mr. Chairman, we are discussing a bill respecting the Co-Operative Life Insurance Company.

Mr. Peters: Are you a member too?

Mr. Jones: I should like to be allowed to speak. I have risen on a point of order and I should like to have the opportunity to make my remarks. In dealing with a matter like this, I do not think it is necessary to have violent and wild interjections by members from their seats. On the point of order, I think the hon. member for Assiniboia has

strayed far from the purpose of the bill. As set forth in the explanatory notes, the proposed changes are designed to prevent employees of the company from exercising the proxies of other members and thus to prevent the control of the company from falling into the hands of head office personnel. That is a simple point and one that I think is easily understood. It is one that I hope all hon. members will be able to support, but surely, Mr. Chairman, in discussing this matter we can remain close to the actual bill itself.

Mr. Winch: Could I ask the hon. member a question? Will he agree to the same amendment being made to the acts of all life insurance companies in Canada?

The Acting Chairman (Mr. Morton): I thank the hon. member for raising the point of order as I was beginning to feel that we were getting away from the bill at hand and into the question of who are members of this co-operative. I was also watching section 66 (1) very closely with respect to interest in the association. I would suggest that if the hon. member continues he direct himself to points in the bill.

Mr. Argue: Since you have raised the question, Mr. Chairman, whether we have some financial interest in this particular measure your comments on that point will be most interesting and informative. I want to tell the hon. member for Saskatoon that, contrary to his suggestion, I think I was very much in order because I was demonstrating in a very practical way, I believe—

Mr. Jones: That has already been ruled on by the Chair.

Mr. Argue: —why members of this group are very much in favour of the bill and how ludicrous it is for the hon. member for Moose Jaw-Lake Centre to suggest that we might be opposing this co-operative of which we are members and of which he is such a lukewarm admirer that he has not even taken the trouble to become a member. I am rather amazed that a man who professes to be a supporter of the co-operative movement would make this confession in the house.

The Acting Chairman (Mr. Morton): I would suggest to both sides that we return to a discussion of the points in the bill. I think the hon. member for Assiniboia has sufficiently explained his point.

Mr. Winch: I should like to get a clarification of a point which you raised, Mr. Chairman. I do not believe I have seen a bill of this nature before the house. I cannot remember having had this point arise before. The members of this group have said that they are keenly interested in the principle of this measure. The hon. member for Assiniboia, the hon. member for Burnaby-Coquitlam and the hon. member for Timiskaming have indicated that they hold policies in this company. This is an act which relates to a co-operative life insurance company.

I am going to ask you now, sir, to come to a decision on a certain point. I think you will agree that these hon. members have a right to speak on the measure but, in view of what you have just said, I am asking you to come to a decision on whether or not they have a right to vote on this particular bill. I should like to have your decision on that now.

The Acting Chairman (Mr. Morton): I would refer the hon. member to standing order No. 11 which reads:

> No member is entitled to vote upon any question in which he has a direct pecuniary interest, and the vote of any member so interested will be disallowed.

There is no question of a vote at the moment, so I do not think I am called upon to make that decision. There is nothing in this standing order which prevents the hon. members from expressing their point of view during the debate.

Mr. Winch: I am sorry, Mr. Chairman, but this is a very important matter which you, yourself, raised. Does the fact that a member of the House of Commons owns a life insurance policy in a co-operative life insurance company make him a shareholder in that company and, therefore, ineligible to vote? I am going to go beyond that because I happen to hold a policy in the North American Life Assurance Company, which is a federated life company, and does that mean I cannot vote in matters affecting federation life? I am sorry, sir, that you are really on the spot now, but this is a matter of principle and has to be answered.

Mr. Argue: Before you make your ruling, sir—

Mr. Jones: May I speak to the point of order—

The Acting Chairman (Mr. Morton): May I have one at a time?

Mr. Argue: Before you make your ruling Mr. Chairman, may I point out that I feel it would be very much in order for the hon. member for Vancouver East to vote on a bill related to North American Life Assurance Company because all that company will do is take his money. Those of us who are fortunate enough to belong to this company may some day receive some patronage dividends. We might, therefore, have a tiny financial interest in the bill.

I would point out to you on the point of order that the measure before us relates to employees of the company and proxy voting. I do not believe it has anything to do with financial returns to policyholders.

Mr. Jones: I do not want to delay the passage of this measure at all, but in so far as the point of order is concerned, Mr. Chairman, I do not believe you are called upon to make a decision. The particular bill that is before us does not affect any pecuniary interest of members. I, myself, am a member of this co-operative life insurance company, and have been for many years, just as many Conservative members are.

I might say that I do regret, however, the attempt of the C.C.F. to drag politics into the co-operative movement. One of the principles of the co-operative movement is that there should be no politics in it and that has been a basic principle of the co-operative movement since the days of the Rochdale pioneers. I should like to remind the C.C.F. members of that principle in order that they may stop dragging politics into this movement and let us get on with the discussion of the bill.

The Acting Chairman (Mr. Morton): The point of order has been dealt with sufficiently. There is no vote before the Chair so anything I might say on the question at this moment would be obiter. I would ask the committee to get back to a discussion of clause 1 of the bill.

Mr. Regier: I want to register a complaint. I spent all afternoon attempting to find out what arguments had been advanced in the banking and commerce committee. I, personally, placed about 18 phone calls and my secretary placed at least another 18 phone calls. I was, at long last, advised that there had been no verbatim record of the proceedings of that meeting which was held, I believe, on April 19 when the banking and commerce committee had this bill under consideration.

I phoned my national leader's office.

Mr. Argue: Not me.

Mr. Regier: I did not phone him, but I phoned his executive. They looked up the records. After all, my office might have failed, so I phoned up the office of the hon. member for Vancouver East; then the hon. member for Timiskaming; then, the hon. member for Timmins and the offices of other members. I had heard that there had been some controversy in the meeting of the banking and commerce committee. I have been unable to read about that controversy. I feel this is a very sad reflection.

We have before us an amending bill, and I approve of the amendment. However, I should like to know what the contributions of the members of this house were. I should like to know what their thinking was in relation to these amendments. I was unable to discover this. Only a few minutes before five o'clock, I was advised that there had been no record made of what was said in the committee meeting. I should like to register my protest. I do not know whether or not the head of the committee is here at the moment because I cannot see that far.

Mr. Smith (Simcoe North): That's easily understood.

Mr. Regier: You may agree and may not understand. I hope the hon. member who made that interjection will never have any of the physical difficulties that I have, and that he will always be able to see beyond the Tory party. I hope he will always be able to see all sections of this chamber. However, he decided to have for himself some fun, and he had it.

Mr. Pallett: He was referring to political myopia, not otherwise.

Mr. Regier: The head of the committee is absent as far as I know. The sponsor of the bill is absent as far as I know. I should like to reprimand the company for asking to sponsor their bill a man who is absent at the time the bill is up for consideration in this committee. I regret very much that I am uninformed at this time as to what the objections were or as to what the considerations were at the time the committee met. I believe that the House of Commons is ill informed on this bill. I therefore move:

That the committee rise, report progress and ask leave to sit again.

Mr. Smith (Simcoe North): I rise on a question of privilege—

Mr. Regier: The motion is not debatable.

Mr. Smith (Simcoe North): I am rising on a matter of privilege.

Mr. Regier: This motion is not debatable and there is no question of privilege.

The Acting Chairman (Mr. Morton): The motion is not in writing.

Mr. Smith (Simcoe North): On a question of privilege, may I say this. I had no intention of alluding to the physical condition or infirmity of the hon. member speaking. I understood that the hon. member for Assiniboia had been present during all the committee hearings on this bill and therefore felt that the group in that particular corner of the chamber ought to have known what the

bill was about. However, I certainly would not make any allusion to the physical condition or infirmity of the hon. member speaking.

Mr. Winch: I should like to ask a question, Mr. Chairman, but it is not on the bill itself. Will you be kind enough to advise the committee on the point you raised a little while ago? Will you be kind enough to inform the committee whether it is your decision, as indicated by what you said a little while ago, that a person who is a member of the House of Commons speaking here this afternoon cannot vote on this bill because he is a policyholder of the Co-operative Life Insurance Company? You made a definite statement a little while ago, Mr. Chairman. I should like you to make clear whether you feel that anyone who is a policyholder of this company does not have the right to vote on this bill in committee. I hope you will explain that statement and your reasons therefor.

The Acting Chairman (Mr. Morton): I have before me a motion that the committee rise and ask leave to sit again.

Mr. Winch: I thought you said, Mr. Chairman, that you did not have it in writing.

The Acting Chairman (Mr. Morton): I now have it in writing.

Motion (Mr. Regier) negatived: Yeas, 6; nays, 33.

Mr. Winch: Now that we are considering in committee an act respecting an insurance company, may I now repeat my question to you, in view of what you said about half an hour ago. What is your decision as to the right of a person who holds a policy in the Co-operative Life Insurance Company and who is a member of the House of Commons, to have a vote in committee on this bill? This is rather an important matter. It is one which can have very serious implications and repercussions. Every year we have before us a number of bills relating to insurance companies, many of which, unlike the North American Life or the Confederation Life, are mutual companies. In view of what you said a few moments ago—and I hope you have given some thought to the matter—will you now tell us your decision?

The Acting Chairman (Mr. Morton): I must rule that the hon. member's point is not in order at the present time because no vote is being taken. Until a vote has been taken and an hon. member's position is questioned, I feel it would be a purely arbitrary expression of opinion from the Chair. I therefore rule that matter is not before the Chair at the moment. I would ask that we get back to consideration of clause 1 of the bill.

Mr. Winch: Then I challenge your decision.

Mr. Argue: Oh, no.

Mr. Winch: Do you mean you have to wait until a member votes and then decide whether or not it is in order?

The Acting Chairman (Mr. Morton): I will refer the hon. member to Beauchesne's parliamentary rules and forms, fourth edition, citation 66 (2) which reads as follows:

(2) A member's right to vote on a question in which he is personally interested is one of those matters that must be decided by the house and not by the Speaker.

That being so, I will leave the matter at that.

Mr. Argue: How do you proceed?

The Acting Chairman (Mr. Morton): If any hon. member's right to vote is questioned, it is a matter for decision.

Mr. Brunsden: There are many ways of wasting time in the House of Commons.

Mr. Argue: You should know; you are the best waster of time I know of.

Mr. Brunsden: Thank you.

Mr. Argue: You are always interrupting, always on your feet.

Mr. Brunsden: There are many ways of wasting time in the House of Commons. To me this discussion is another time waster. We have here a bill which has come to us from the Senate and which asks for a minor change, in my opinion, in the Co-operative Life Insurance Company legislation. Most of us have insurance. Some of us are insured in line life companies as I am and as you, Mr. Chairman, probably are. Some of us are also insured in a co-operative life organization. I resent the suggestion that a person who has a policy under the Co-operative Life Insurance Company plan is denied the right to vote or to have a voice with respect to the policy of the company. It seems to me that we are completely outside of our orbit. We are not discussing the principle of the bill. We are discussing many things other than that. I suggest that this bill No. S-12 should forthwith go to the house and be passed.

The Acting Chairman (Mr. Morton): Shall clause 1 carry?

Some hon. Members: Carried.

Mr. Regier: No, Mr. Chairman.

The Acting Chairman (Mr. Morton): Does the hon. member wish to speak on clause 1?

Mr. Regier: Yes, on clause 1. I am pleased that this Co-operative Life Insurance Company is asking that the right of proxy vote

be discontinued. I heartily endorse this request of theirs. A limited number of months ago I attended a meeting of a co-operative. I happened to be a director and there was a nomination against me. There were about 100 people in attendance at the meeting and each person had only one vote. However, at the head table there was a vice president and another director. Between the two of them they had roughly 2,000 proxy votes.

I sent a note up to the head table at the board of directors meeting. I must point out that this is an organization almost equal in size to the organization we are now discussing. It has millions of dollars in assets. My note was, "Ought I to decline?" I received a note back, "Very definitely, no".

I knew that the men at the head table holding these proxy votes had all the power in their hands and were able to decide the issue. Very fortunately the board of directors was expanded in order to meet the complaint, and I remained on that board.

Mr. Brunsden: Mr. Chairman, would the hon. member permit a question. In his capacity as a member of the board of directors did he receive compensation?

Mr. Regier: I have yet to receive a nickel of compensation from this organization. Be that as it may, I only meant to tell the story as an example of the evils of proxy voting. Here was a board of directors who had this power in their hands. Only two directors asked me to remain on the board of directors. They had in their hands 20 times as many votes as there were people in the whole audience at the annual meeting.

I want at this time to express my pleasure that the Co-operative Life Insurance Company is abolishing this nonsense and this illegitimate business of proxy voting. I feel that if individual corporations abolish the practice of proxy voting it will be healthier for the economy of our country in years to come.

Clause 1 agreed to.

On clause 2—*Residence qualification of directors.*

Mr. Peters: Mr. Chairman, I wish to say just a few words on this clause and the amending section 4A. We are interested in the report of the committee in relation to clause 2 of this bill, the third line of amending section 4A (1).

The committee agreed to add the words "that at least one director shall be elected from each designated region" immediately after the word "Provided". This is the amendment the committee of the house suggested, and I think it is a very good one.

[Mr. Regier.]

I think it is a very good policy to have the board of directors elected on a regional basis. Also, section 4A gives consideration to the fact that if directors are appointed from the east or other sections of Canada, though they live in the province of Regina where the head office of the company is located, they will still carry the residence of the province they come from and will continue to represent that province.

I think this is a worth while amendment. It is one that I was interested in, frankly, in the presentations made in the committee, because it would not only affect this company but also other companies that may have an interest in a regional clause similar to that in this particular bill.

Clause 2 agreed to.

Preamble agreed to.

Title agreed to.

Bill reported.

The Acting Speaker (Mr. Morton): When shall the said bill be read a third time?

Some hon. Members: Next sitting of the house.

AURORA PIPE LINE COMPANY

The house resumed from Tuesday, May 2, consideration in committee of Bill No. S-2, to incorporate Aurora Pipe Line Company—Mr. Woolliams—Mr. Morton in the chair.

On clause 1—*Incorporation.*

Mr. Broome: Mr. Chairman, speaking again on this bill I find myself in a position where I feel that certain facts should be impressed upon hon. members of this committee. I also feel that all hon. members are entitled to make known their thinking before they express their vote "Aye" or "Nay".

I do not believe that individual hon. members have the right to unduly prolong a decision, but I do believe that when there is a matter of principle at stake, as there is in this bill—

Mr. Brunsden: Tell us the principle.

Mr. Broome: I will come to the principle I am discussing. I will answer the hon. member for Medicine Hat, although the question he asks has been answered on half a dozen different occasions in this committee and on a number of private bills which I have put before this house. The hon. member for Medicine Hat has sat there and listened to the discussions and he should be familiar with the principle by now. The principle is, how shall the resources of this country be developed? This principle is of interest to every hon. member of this committee.

Mr. Martin (Timmins): Or should be.

Mr. Broome: In direct answer to the question put by the hon. member for Medicine Hat I would refer him to a quotation I gave on May 12, 1961 which is reported at page 4745 of *Hansard*. In that quotation I gave the recommendations of the royal commission on Canada's economic prospects as found on page 393. I shall quote them again particularly for the benefit of the hon. member for Medicine Hat:

> We believe Canadians should have more tangible assurance than they now have that the people who are responsible for the management of such foreign-owned concerns will, whenever reasonably possible, make decisions that are in the best interests of Canada; that such concerns in effect become more "Canadian" in outlook. We do not suggest by this the development of a narrow nationalistic outlook; nor that the concerns in question should be restricted in their access to their parent companies and to all the benefits and advantages they obtain as a result. The following specific suggestions respecting desirable objectives for the operations of such foreign-owned concerns would not have these effects; we believe they would be of benefit to all concerned.
>
> (1) Wherever possible, such concerns should employ Canadians in senior management and technical positions, should retain Canadian engineering and other professional and service personnel and should do their purchasing of supplies, materials and equipment in this country;
>
> (2) They should publish their financial statements and make full disclosure of the results of their Canadian operations;
>
> (3) They should include on their boards of directors a number of independent Canadians and they should sell an appreciable interest in their equity stock to Canadians.

In many respects, the company—and I am not referring, now, to Aurora Pipe Lines but to Hudson's Bay Oil and Gas, which is the parent company—does live up to these recommendations, but in one essential, and possibly two, it does not.

I refer to the report of the standing committee on railways, canals and telegraph lines at page 45 where the witness Mr. Burgis was questioned by the hon. member for Calgary South in regard to the financial structure of the company and the degree of Canadian participation. In answer to the question Mr. Burgis replied as follows:

> Yes, we take the point of view that this is a relatively small line and it would be quite usual for an oil company to build it as part of the normal operations. In terms of public financing—

This is the point:

> Back in 1957 our directors did offer public participation in the ownership of Hudson's Bay Oil and Gas when there was no public clamour for ownership.

I want to emphasize that phrase "when there was no public clamour for ownership."

I did myself address certain questions to the sponsors of the bill and I must in all fairness say that the sponsors have secured all the information I asked for. If I did not ask all the questions I wanted to ask, that was my fault and not theirs. But I shall refer to an answer which amplifies this statement made by Mr. Burgis. I shall read from *Hansard* for March 28 at page 3428. This is a letter to the hon. member for Bow River and it reads as follows:

> Dear Mr. Woolliams:
>
> With respect to the question raised by Mr. Broome in the debate on March 14 last regarding possible plans to increase the percentage of Canadian participation in the ownership of Hudson's Bay Oil and Gas Company Limited I would advise that the management of the company anticipate a continuing growth in Canadian participation. At the present moment the company does not have any need for additional equity capital to finance its operations and accordingly cannot make any definite prediction as to the timing or possibility of a further issue of treasury shares which could be offered to the Canadian public. However, we believe the past actions of the company in making a distribution of a portion of its capital stock back in 1957 before there was any strong public clamour for such action—

There is that phrase again.

> —is the best possible kind of indication of the company's attitude and thinking on this subject.

This indicates the blindness of Mr. Burgis as to what this is all about, because the offer back in 1957 was not made to the Canadian public. It was, in fact, an offering to the shareholders of Continental Oil and to the shareholders of Hudson's Bay Oil and Gas. As a matter of fact, in 1957 only 1.7 per cent of the total stock of Hudson's Bay Gas was offered to the Canadian public—offered because that part of the Canadian public happened to have rights in one or other of the Canadian companies. I suggest that the senior personnel of the company who would have a fairly large interest in the company might well represent most of this 1.7 per cent of the stock, or some 278,000 shares.

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

Mr. Broome: I am afraid my time is limited—

Mr. Brunsden: It is only a short one.

Mr. Broome: No, I will not. I have not much time. Mr. Chairman, would you kindly tell the hon. member for Medicine Hat that I have the floor, and ask him to sit down.

Today, 2.96 per cent of the shares of this company are owned in Canada, because Canadians have purchased shares which were originally sold to Americans. This certainly confounds those people who say Canadians are not willing to invest in the resources of this country. The importance of this company should be realized. It is one of the 15 oil companies which make up the Toronto stock exchange western oils index; in other words

it is one of the most important 15 companies in this field in Canada. Yet Canadian participation is only 2.96 per cent, which is what the company offered before there was any great public clamour for shares in this company. This is where Mr. Burgis is completely blind in his interpretation, because 2.96 per cent, and originally 1.7 per cent, does not represent Canadian participation in this company; it does not represent anything which was referred to by the royal commission on Canada's economic prospects, or which has been referred to by hon. members who sit on the treasury benches, or which was referred to on May 12 when I put on record in the course of another discussion an address by Mr. Fowler, president of the pulp and paper association; it does not conform to anything which has been found to be proper, it does not conform in fact, to what the United States government itself has used as a criterion of what constitutes a United States company.

I say this because some time ago during the discussion of another bill I referred in this house to the Ilsley commission with respect to war claims where a pattern was followed that had been set up between the United States and Yugoslavia. The government of the latter country nationalized United States firms, and in regard to compensation, the United States set up—

Some hon. Members: Six o'clock.

Progress reported.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 7.30 p.m.

WAR VETERANS ALLOWANCE ACT

AMENDMENTS TO INCREASE RATES OF ALLOWANCES AND INCOME CEILINGS, ETC.

The house resumed, from Monday, May 15, consideration in committee of the following resolution—Mr. Churchill—Mr. Flynn in the chair:

That it is expedient to introduce a measure to amend the War Veterans Allowance Act, 1952, to increase the monthly rates of allowances and permissible income ceilings; to allow for further exemptions in property and income; to modify certain conditions of service eligibility; to allow for administrative and organizational changes within the board and to provide for certain further changes in connection with the administration of the act.

Mr. Churchill: Mr. Chairman, just before the house rose last night I was making a few remarks with regard to this resolution.

[Mr. Broome.]

Since I had only about five minutes available there was no chance to deal elaborately with the resolution; consequently I may find it necessary to recapitulate some of the things I said last evening. In the first place I will have to suggest a correction in *Hansard* at page 4868. In concluding my remarks I am reported to have said:

I do not know of any piece of legislation apart from the Disabled Persons Act which is more acceptable to veterans across Canada.

What I meant to say was, "apart from the Pension Act for disabled pensioners".

The Pension Act and the War Veterans Allowance Act, with which we are now dealing, are the two basic acts which have been placed on the statute books for the assistance of veterans who have fought in Canada's wars.

Of the two acts some people feel that the War Veterans Allowance Act is the better. Others rely on the Pensions Act. I make no choice between the two; I think they are both very valuable. Over the years both have been amended from time to time to bring them up to date in relation to the experience gained in dealing with veterans of the wars.

Our first pension legislation goes back to the time of the Fenian raids and to 1885, after the Northwest Rebellion; but it was not until the conclusion of world war I, in fact not until 1930, that legislation was placed on the statute books dealing with the veteran who was not disabled by wounds. Over the years, from the conclusion of world war I until 1930, veterans organizations across the country, members of parliament of that day and other interested persons kept drawing public attention to the need of the unwounded veteran. Resolutions of committees were put forward, debates were held in the House of Commons and finally in 1930 the government of the day introduced a resolution, followed by a bill which, after consideration by a committee of the House of Commons and with amendments proposed thereto, came back, was passed and became the War Veterans Allowance Act.

It is rather interesting to look back at the debates of 1930 to see the reasons for introducing this type of resolution. If hon. members will examine *Hansard* for March 4, 1930, when the resolution was discussed, they will see that it was introduced by the Hon. J. H. King, who was minister of pensions and national health. In those days he was responsible for veterans' problems. The resolution that he brought before the house read as follows:

Resolved, that it is expedient to bring in a measure respecting allowances to war veterans, to provide assistance for certain veterans who are not in receipt of pensions, or who, if in receipt of pensions, are only partially pensionable, or who

are unemployable, and to provide for the administration, amounts, terms and conditions of such allowances, and for the payment of such sums as may be necessary to carry out the provisions of the proposed legislation.

After a lengthy debate on the resolution stage and again on second reading the act was put on the statute books but from time to time it has had to be amended and now in 1961, 31 years later, we are suggesting still further amendments to this very valuable act. The basis on which the Hon. J. H. King placed his argument ran somewhat as follows, and I will quote some of his remarks just to give the committee an idea of what was in the minds of the government and members of parliament at that time. Mr. King said, as found at page 248 of *Hansard* of March 4, 1930:

Mr. Speaker, this will constitute an endeavour on the part of the government to meet an outstanding need in the lives of our veterans, which need has been recognized for some years but not provided for up to the present. I might direct the attention of the committee to the fact that in 1928 the committee on pensions and soldier problems included the following in their return to this house.

These were the committee's suggestions:

Your committee finds that one of the most serious situations confronting the department and the country generally is that relating to the employment and care of ex-members of the forces suffering from disability, broken down or burned out. A number of suggestions have been made to your committee for dealing with such cases. The committee recommends information be gathered which will be of assistance in framing the government's policy. The committee consider this the most serious problem which has arisen in connection with our ex-soldiers.

Then the Hon. J. H. King continued:

Our present pension legislation is specifically designed to compensate veterans whose disabilities are traceable to war service, but it has become increasingly apparent that some provision inevitably must be made to provide for the aged and unemployable veteran whose condition may not be directly traceable, under our present legislation, to war service.

Then he concluded his remarks with this passage:

The legislation which will follow this resolution is the most far-reaching of all veteran legislation so far introduced, in that, for the first time, it recognizes and makes provision for the man who was discharged fit, who is now unemployable, but who has not been found, under our present legislation, to be entitled to pension. In making provision for the non-pensionable man, Canada will be a pioneer in enacting legislation of this character. It will be seen that we propose to pay an allowance to men with front line service, or to pensioners, or former pensioners, no matter where their service, at a stated age, provided they are in necessitous circumstances. It is provided also to pay this allowance to men in this class, irrespective of their age, if they are found to be in necessitous circumstances and permanently unemployable. Reservations have been made as in the old age pension legislation, restricting the amount receivable from this legislation and other sources combined.

It is not necessary for me to repeat what has been so frequently stated in this house, namely, that many men who rendered splendid service at the front are in need, and have been found non-pensionable. It is equally unnecessary for me to state that the effects of front line service have had a telling effect on the constitution and work expectancy of our veterans, so that many have aged before their time. This legislation provides for an allowance to these men. There is no doubt that in some cases the legislation will benefit men whose physical conditions are not due to their war service, but if we are to err we prefer to do so on the side of generosity toward those who served Canada so generously in their better days.

That, Mr. Chairman, represents the opinion of members of the House of Commons of the year 1930 because others who participated in the debate agreed with the summary presented by the minister at that time and added observations of their own. The experience of the country was that adequate arrangements had not been made through the Pension Act for veterans who had suffered from long service and who had no particular marks or physical disability to show for that service. Yet as the years went by and as the veterans became older the experience they had serving in the trenches began to tell upon them and they suffered accordingly.

The War Veterans Allowance Act established in 1930 has provided over the years for quite a number of individuals. Just to repeat one paragraph that I used last night, may I summarize the matter this way, that during the 30 years the act has been in operation 158,867 veterans and 28,075 widows and orphans have been given assistance and at the present time there are 47,204 veterans on the role and 19,266 dependents. That gives an indication, Mr. Chairman, of the number of people who have benefited from the act over the 30-year period I have mentioned. I have used figures which are shown in the annual report of the department for the fiscal year 1959-1960.

At the commencement of the legislation in the fiscal year 1930-31 there were only 2,219 veterans who came under the War Veterans Allowance Act and benefited therefrom. It was during the later thirties that the number steadily increased and it did not reach the peak, of course, until quite recently due to the fact that the veterans of the first world war are now of an average age of 70 years and a great many of them have reached the stage where they are not able to find employment and they have had recourse to this very valuable piece of legislation.

The act provides for seven classes of people, primarily veterans, of course, but also dependents. They can be considered in seven groups. The first is those who have survived

from world war I or the South African war and a few dependents from the Northwest field force of 1885. The veterans there, not dependents, number 33,524. The second group of veterans comprises those from world war II and those who served with the special force in Korea. They number 6,676. Then there is a third class who served in both world war I and world war II, 992 of whom are assisted under this act. Provision has been made for veterans who served with commonwealth and allied forces and who are resident in Canada, 6,012 in number, or a grand total of veterans in these five classes of 47,204. Then, you have two additional classes, widows, who number 19,016, and orphans, who number 250. These veterans are found right across Canada in every province. I have a table here indicating that distribution. I think it is of interest to the committee to have some of this background material placed on the record at this stage. As other members participate in the debate, I hope they will add their observations with regard to the value of the War Veterans Allowance Act and also make their suggestions with regard to areas in which this act may be improved.

Subsequently, if the resolution passes and the bill passes second reading, we will refer the bill to the standing committee on veterans affairs for their detailed study and suggestions. I am sure we are all of the same opinion as the members of the house were in 1930, that this is a non-partisan operation in which we are working solely for the benefit of the veterans of Canada.

The distribution by provinces of the veterans and their dependents who come under the War Veterans Allowance Act is as follows: Newfoundland, 1,540; Prince Edward Island, 858; Nova Scotia, 4,650; New Brunswick, 3,199; Quebec, 7,572; Ontario, 24,316; Manitoba, 5,192; Saskatchewan, 3,015; Alberta, 4,634; British Columbia, 12,707. Each province has its quota of veterans under the War Veterans Allowance Act and in each province the Department of Veterans Affairs has an office operating to give care and attention to these veterans.

In addition, of course, there is the hospital service which is available to our veterans, not only those disability pensioners who are suffering from their wounds but also the veterans who are under the War Veterans Allowance Act. Just in passing, I might mention the fact that there are 11 veterans' hospitals located across Canada in Halifax, Lancaster, Ste. Foy, Ste. Anne de Bellevue, Montreal, Toronto, London, Winnipeg, Calgary, Vancouver, Victoria and, in addition, there are special wings in certain civic hospitals, veterans homes and health and occupational centres. The bed capacity in the hospitals is 8,450. Patients are admitted at the rate of about 50,000 per year, and some of that number would be people about whom I am talking tonight, people under war veterans allowance.

I referred earlier to the financial obligation that has been incurred. I will not give the figures over the years, but in 1955 the financial obligation was approximately $27 million. As a result of changes which have occurred in the act since that time and the increase in the number on war veterans allowance, the financial obligation rose in the fiscal year 1956-57 to $41 million and last year stood at $57 million. The proposal that we are bringing before the house today will increase the financial obligation. In so far as the veterans of earlier wars are concerned, it is a decreasing obligation each year because veterans of the South African war are now in their eighties and some in their nineties. The veterans of the first world war have not a great life expectancy and, as the records indicate, they are passing off our books at the rate of 3,000 per year.

Mr. Herridge: Do not look at me when you make that statement.

Mr. Churchill: I hope that the hon. member for Kootenay West continues to persevere and last in this house for a very long time, so long as his constituents think it is advisable he should do so.

There is one problem that has given us concern. It is the fact that during February and March we dealt with amendments to the Pension Act for disability pensioners and we raised pensions by 20 per cent across the board, with 33⅓ per cent for orphan children who had not been included in an earlier increase. On consideration of the problem, it seemed wise to deal with the War Veterans Allowance Act in the same session if at all possible. The reason is that there are approximately 13,000 disability pensioners who are in the lower brackets, 5 per cent, 10 per cent and 15 per cent, who are also war veterans allowance recipients. Having increased the rates under the Pension Act I knew immediately that was done some pensioners would feel that they had not received much of an increase because if they were on war veterans allowance, the amount of the increase in the pension was correspondingly deducted from the war veterans allowance. In so far as the approximately 13,000 disability pensioners who are on war veterans allowance are concerned, therefore, no increase has resulted. If in a year that the Pension Act is amended the War Veterans Allowance Act is also amended, then both classes of veterans are looked after

and those who are under both acts are certainly given what is intended in the way of increases.

Although the amendment to this act was not forecast in the speech from the throne, it has been possible to bring it forward this session. I am sure that before very long the house will be able to deal fully with the measure and make it possible to pay to the people on war veterans allowance the increases that seem advisable.

The resolution before you, Mr. Chairman, suggests that the measure which will later be brought before the house will result in an increase in the monthly rates of allowances and permissible income ceilings; that it will allow for further exemptions in property and income; that it will modify certain conditions of service eligibility and will make provision for certain administrative and organizational changes within the board. That is the nature of the proposal which we are bringing forward.

Our hope is that these amendments will improve the War Veterans Allowance Act. These amendments will give an increase of income to people on war veterans allowance, will raise the permissible income ceiling, and generally will bring it up to date having regard to present difficulties and living standards. Although I do not think anyone is prepared to state that the war veterans allowance rates are adequate for all the needs of those who are under this act, nevertheless this is in keeping with what has been done in the past. There has been a steady rise in the rates. Then there are these other benefits, such as the hospitalization benefit, which are of considerable advantage to people on war veterans allowance.

The Chairman: Order. I am sorry but I must inform the minister that his time has expired.

An hon. Member: Carry on.

The Chairman: Has the minister the unanimous consent of the committee to continue.

Some hon. Members: Agreed.

Mr. Churchill: Thank you, Mr. Chairman. I was about to conclude my remarks. I think I have perhaps now said enough to indicate to the committee that we treat this War Veterans Allowance Act with the greatest seriousness. It is an important piece of legislation. It came about through joint effort in 1930, preceded by representations from both sides of the house of that day and by representations made over the years by veterans organizations. The Canadian Legion and all other veterans organizations have given close attention to the War Veterans Allowance Act. At their annual meetings they have put forward resolutions suggesting changes for the better in the War Veterans Allowance Act and from time to time those changes have been incorporated into legislation which has been placed on the statute books. I feel sure that the veterans organizations will continue to make suggestions to us.

As I visit Legion branches and veterans groups I am impressed with the interest which the younger veterans—I refer to the veterans of the second world war and of Korea—show in the care and attention that is being given to the older veterans. Many a younger veteran has spoken to me of his pleasure at the increase in the Pension Act which we made early this spring and his interest in the proposal now on the order paper with regard to the War Veterans Allowance Act. The younger veteran wants to see the older veteran looked after. There is of course a community of interest among veterans. The younger veteran knows that his experiences in wartime were not any more severe than were those of the men who served in South Africa or the first world war; and he, recognizing that fact, wants the older veteran to be looked after. I hope that we can achieve that objective.

As far as the South African veterans are concerned, for example, I hope that not one of those men will suffer in his declining years through any lack of attention on the part of the House of Commons. If there is any field in which we have been negligent in assisting veterans of that period, let us correct the situation. The same thing applies with regard to first world war veterans. Men who have served their country well, who have suffered and who have not had the opportunities after the first world war to establish themselves as satisfactorily as they might have done, through no fault of their own, are the men whom a grateful country should assist. Let us not forget that the first world war veterans, after being demobilized, did not have the privileges which accrued to the second world war veterans in 1945 and subsequent years. The plans had not yet been laid. The country was inexperienced in dealing with a large number of veterans. Then he was struck by the depression of 1922, which is in the very dim and distant past now but which effectively put a number of people out of work, including myself. The veteran of the first world war went through the long drawn out depression of the thirties, the world wide depression which caused such a great diminution of trade and activity. The result was that the first world war veteran, even if he had recovered some of the ground he had lost during his service from 1914 to

1918, was barely established by 1929 or 1930 when disaster fell upon the country.

Then, following that great depression, of course, there was the second world war. Many of our first world war veterans have therefore had the full course in their lifetime. They went through the first world war, the great depression and many of them had the opportunity and willingly assisted in one way or another during the second world war. Many of them, of course, suffered the grievous losses of their sons in the second world war. Hence for the first world war veteran now getting on in years a grateful country cannot do more than provide assistance. That is precisely what the Pension Act and the War Veterans Allowance Act are for, namely to make sure that those who risked their lives in the service of their country should not suffer during their declining years. A very distinguished leader of this country at one time said this:

> Our duty to the returned men, their dependents, and the dependents of those who have not come back is clear... It is a demand that we treat their requests with generosity, which is more than mere justice. To the men who sacrificed their all in that fight for freedom we owe all the freedom we have today; though we default the interest on the national debt (which would mean national bankruptcy), we cannot afford to let one of our returned men or their dependents suffer.

That statement was quoted by a distinguished citizen of Canada and a former member of this House of Commons, namely Mr. L. J. Ladner; and he was quoting from a speech of Right Hon. W. L. Mackenzie King. At that time—and this is in 1930—Mr. Ladner said this:

> That statement of the Prime Minister merely reflected the prevailing sentiment and the great impulse of generosity and sense of duty which at that time animated the Canadian people.

I trust that the same spirit animates the Canadian people of the present day. We have passed through a second great world war and there is no one in Canada now who is not familiar with the peril in which this country stood at that time.

We have had the Korean war, in which many of our young men served, and we are fully aware of the services being performed by our men in the navy, army and air force in various dangerous posts abroad. All this service on behalf of Canada has maintained for us the freedom which we enjoy; the freedom to debate here in the House of Commons and on occasion to appear to be fairly annoyed with each other. But it is a bloodless type of fighting; we do it by words. It is only because of the sacrifices of our men in warfare, in the first and second world wars particularly, that we are able to carry on here in the House of Commons the parliamentary system and maintain the system of democracy which means so much to us.

It is on behalf of the men who served in those wars that I am bringing to the attention of the committee tonight this resolution dealing with the War Veterans Allowance Act, and I hope it will receive the approval of the committee.

Mr. Carter: Mr. Chairman, I am sure all hon. members are very happy to have this legislation introduced at this session. We of the official opposition welcome it very heartily and we hope it will receive a speedy passage through all its stages and be made effective in a very short period of time.

As the minister has pointed out, no matter to which party we belong or on what side of the house we sit, we are all non-partisan when the welfare of our veterans is under consideration. Since we are so completely agreed on this principle there seems to be no need for any extended debate either on the principle of this resolution or even on the principle of the bill at second reading.

The minister has told us—and I welcome this information—that after the bill is introduced to the house it will be sent to the parliamentary committee on veterans affairs. I am sure it will there receive, as always, very sympathetic consideration and many useful suggestions will be made which will improve it and make it more suitable for the conditions it is designed to meet.

As the minister pointed out last evening and again tonight, the original War Veterans Allowance Act dates back to 1930. The objectives of this legislation were very neatly summed up in the original resolution which the minister put on the record tonight. That resolution was introduced in the house by the hon. member for Kootenay, the Hon. J. H. King, minister of pensions and national health in the cabinet of the late Right Hon. Mackenzie King, on March 4, 1930.

The present resolution seeks to bring about the following further changes in the War Veterans Allowance Act. It seeks to increase the rates of war veterans allowance and the permissible income ceilings. It forecasts changes in property and income exemptions, and it will modify certain conditions of eligibility and service.

The minister sounded very magnanimous in his remarks this evening and I hope that when the bill is introduced we will find that its scope has been extended to include the members of the Newfoundland forestry units of world war II, the merchant navy, the rescue tug service, the firefighters and other groups which have not yet been covered by

this legislation. All these bodies have a strong claim to the benefits under the War Veterans Allowance Act.

As hon. members know—it has been pointed out in this house more than once—the Newfoundland foresters of world war II are excluded merely on account of a technicality. Then we have members of the merchant navy who served their country well and are now in need of some sort of assistance which can very well be provided under this act. These people gave valuable service to their country in a time of great need, a service that was duly recognized as essential. As a result of that service they today find themselves incapacitated, unable to support themselves and their families and reduced to dependence upon public relief and charity.

I hope the minister will also see fit to include the British-Canadian veterans who served in India and Afghanistan. The minister mentioned the veterans of the South African War. As recently as this morning, in the parliamentary committee on veterans affairs, evidence was given about these British Canadian Veterans who served on the firing line in India. I also hope that the 365-day requirement for veterans of world war I will be abolished.

I think it may be worth while to again repeat the original 1930 resolution which the minister has already put on the record. It reads as follows:

> **Resolved, that it is expedient to bring in a measure respecting allowances to war veterans, to provide assistance for certain veterans who are not in receipt of pensions, or who, if in receipt of pensions, are only partially pensionable, or who are unemployable, and to provide for the administration, amounts, terms and conditions of such allowances, and for the payment of such sums as may be necessary to carry out the provisions of the proposed legislation.**

When we consider the categories I have just mentioned, in the light of that resolution I think it is very clear that it was specially designed to take care of these particular kinds of cases. I say this because the emphasis in the resolution is on veterans and not on any particular grouping, organization or unit in which they may have served.

As far as my own province is concerned, certainly the War Veterans Allowance Act is much more useful and could benefit a great many more people than the Pension Act. There are a number of persons in my province who served their country, as I said, in the forestry unit, the merchant marine and other services who would now find it almost impossible to qualify for a pension under the Pension Act because they do not have the documentation necessary to relate their disability to war service.

I suppose the key word in the original resolution is the word "veteran". I think that some of these people have possibly been excluded because we have chosen to place a certain interpretation on that word. I think in the light of the experiences of two wars and particularly of the last war we should be more liberal in our interpretation of what constitutes a veteran and think not so much of the particular unit in which a man served but of the service that he gave to his country and whether his country now has any obligation to him at a time when he is unable to look after himself. It seems to me not only a tragedy but a matter for shame that any person who has served his country and who is disabled should have to resort to public relief. I do not think this was the spirit of the intention of the people who introduced the original resolution.

As I said earlier, I see no reason why there should be any extended debate on this resolution. There is nothing controversial about it. We are all in complete accord with it. We realize that increases in the war veterans allowance rates and income ceilings as well as adjustments to property ceilings are necessary for two reasons, in the first place to bring the veterans allowance payments in line with increases which have taken place in the cost of living and, second, to restore the relationship in the scale of benefits as between war veterans allowances and pensions which existed prior to the recent pension increase. We recognize, as the minister himself has pointed out, that the recent increase in pension rates has made the introduction of this legislation almost imperative in order to restore benefits to those 1,300 pensioners who lost their W.V.A. and other benefits such as hospitalizations when the pension increases came into effect. These adjustments to the War Veterans Allowance Act will put them back on the same footing as they held before the increase was made in the pension rates.

We give this resolution our complete support and hope it will receive swift passage through the house. We shall certainly co-operate to the fullest extent with the government to achieve that result.

Mr. Herridge: I listened with interest to the minister reviewing the genesis and the history of this legislation. I remember well the days when consideration was being given to the need for legislation of this type to, at least, assist veterans in distress at that time. The minister mentioned Dr. King and said he was a member for the Kootenays. Well, one would expect this sort of legislation to be introduced by anyone from the Kootenays.

I am getting on in years and when anyone mentions something which happened in the years gone by, memory holds the door and

I think back to years past. Dr. King's election campaign of 1911 was the first campaign in which I participated. My father was the campaign manager for Dr. King in our part of the Kootenays and I spent days and days distributing Liberal literature attempting to convert a Conservative riding to Liberalism.

Some hon. Members: Shame.

Mr. Herridge: Dr. King was a friend of my father's and of our family and I therefore have a personal knowledge of his interest in this question and of his interest in veterans generally. On that account he was well thought of by the veterans of the Kootenay area and he will be long remembered by those who knew him in pioneer days.

Since that time there has been a steady and somewhat gradual improvement in the legislation, usually as a result of representations from veterans organizations but to some extent because of the experience gained by those responsible for administering the law. The minister invited members to make suggestions with respect to improving this legislation. Mr. Chairman, I accept that invitation with alacrity and I intend to make a few suggestions on that account as well as to make a few general observations upon the legislation.

The minister failed to disclose the prize packet in full. He took the lid off and gave us an indication of the contents, arousing our curiosity without satisfying it by giving us details. I presume we must wait until the bill is introduced before we can satisfy our curiosity. However, I am confident that many veterans and their dependents have looked forward to the amendments to the War Veterans Allowance Act particularly in recent months in the expectation that they will make their lives a little easier and a little more comfortable. There is no doubt about it that the Legion and other veterans' organizations, with their knowledge of the circumstances of individuals, are concerned about the needs of their members. On that account this is a subject which has been discussed very generally in the last year or two in Legion branches, at provincial conventions and at dominion conventions. As a result, resolutions have been adopted and recommendations made by the representatives of the dominion Canadian Legion and other national officers to the federal government and to the standing committee on veterans affairs. In addition, I am sure, hon. members of this house have received a voluminous correspondence.

I wish to express my agreement, for once, with the hon. member for Burin-Burgeo when he said that the general spirit of the veterans' affairs committee is non-partisan. That, I think, is well and truly said. I judge a member's genuine interest in veterans, if he is a member of the veterans affairs committee, by his willingness to attend the meetings regularly and spend his time seeking information concerning the details of the veterans affairs organization so that he may have a better understanding of the administration, the needs of veterans and so on.

Since the minister did extend a kind invitation, I am looking forward to the introduction of the bill. I do want to bring to the attention of the committee the fact that the Canadian Legion—and other organizations made similar proposals—has been interested in certain particular aspects of this legislation. So far as rates are concerned—and this is a very important thing in the case of the War Veterans Allowance Act; it is the foundation of the act—how much are you going to pay? In its representations to the parliamentary committee last year on the War Veterans Allowance Act the Legion said:

> In order to ensure that war veterans allowance recipients do not continue to suffer as living costs advance—the Canadian Legion recommends—
>
> That the rate for married recipients be increased to at least $140 per month and that a comparative adjustment be made in the rate of a single recipient.

When the bill is introduced we hope that it will meet the requests of the Canadian Legion based on the needs of the veterans and their dependents.

Then we come to the question of ceilings which is related to permissive income. In its brief the Legion deals with this question and the necessity for an increase in the ceiling to meet certain particular circumstances. This is the result of experience. You can adopt legislation with the best of intentions. I have been a member of the committee since 1945, and I know of the numerous amendments that were required, and I am sure other hon. members have had the same experience over the years of overlooking something that you did not expect; you did not anticipate a certain situation. I have had that problem particularly brought to my attention with respect to married veterans and common law wives and that sort of thing. Experience has made it necessary to amend legislation that had been considered quite satisfactory years before. Anyway, in connection with the ceilings the Canadian Legion recommends:

> That the ceilings on total permissible income under the War Veterans Allowance Act be increased to $1,200 per year for the single recipient and $2,000 per year for the married recipient.

We hope that when the bill is introduced it will meet the recommendations of the Canadian Legion and other veterans organizations.

Then we come to widows' allowance. This has to do with section 30 (11) (b) of the act. The Legion has been very concerned about this and recommends:

That where all other requirements are met, the war veterans allowance board be empowered to declare as eligible widows who would be qualified had the veteran made application during his lifetime.

I have always been interested in widows and their welfare, and I can think of particular instances in my constituency where, because of unforeseen circumstances, the widow of a veteran who served in the same company as I overseas was denied a war veterans allowance because he failed to apply for it during his lifetime. She was not qualified under the present act. I do urge consideration of this matter. I know the cases are few in number. Even though they are few, it is an important matter to the widow concerned.

I come now to the question of the merchant navy personnel. The hon. member preceding me dealt with this question. I can understand his particular interest in the question because he lives in a maritime constituency and would meet more merchant sailors than I would, but I wish to support his representations. I know he supports the representations of the Canadian Legion. In this connection, so far as the merchant navy personnel are concerned, the Canadian Legion recommends:

That the War Veterans Allowance Act be amended to include these veterans of the merchant navy and T.124 service.

There is no necessity to go into details because those who are interested in this legislation know exactly what it means.

I come next to the question of casual earnings. There has been a great improvement in the, shall I say, casual earnings situation over the years. The law, the regulations and the administration in the early days were pretty sticky on this point. It has been improved throughout the years but there is still room for amendment, particularly where you have veterans who have some small fixed income. They cannot earn $50 a month, but they may have $50 a month coming in as interest on a few bonds, and things of that sort. In all fairness I think it is the general opinion of the veterans affairs committee that consideration should be given to situations such as these. Because the Legion has considered this, it submits:

That since it is accepted that recipients are entitled to additional income in excess of the maximum rates and ceilings, the legislation should be amended to provide those recipients, who are unable by reason of ill health to enjoy this advantage, with a single benefit.

The Canadian Legion therefore recommends—that the act be amended to include as exempt income unearned income up to $50 per month for a recipient who is unable because of physical or mental disability to obtain employment.

I think it is a very reasonable recommendation and I trust that the casual earnings regulation will be amended to meet that type of situation.

Then, there is the question of interest on stocks, bonds and so forth. The present act limits to $25 per annum the exemption in respect of interest on bank deposits and bonds and dividends on shares in capital stock. The Legion recommends:

That the act be amended to increase the exemption in respect of interest on bank deposits and bonds and dividends on shares in the capital stock of any company to at least $50.

This is a very modest and responsible recommendation and I do hope the legislation will give it consideration.

There is a section in respect of personal property which is of interest to me, because of the particular circumstances of a number of veterans. The War Veterans Allowance Act from the first has permitted applicants to qualify while in possession of limited personal assets. Since the allowances provide only for minimum living expenditures, it is presumed that the provision in respect of personal property was to cover such eventualities as repairs to a recipient's home, replacement of furniture, medical expenses for dependents, funeral expenses for widows, and so on. This is a rather interesting recommendation:

In 1930 the limits were set at $750 for a single recipient and $1,500 for a married recipient. In 1948 these amounts were increased by $250 to $1,000 for a single recipient and $1,750 for a married recipient. In 1952 there was a further increase of $250 in respect of married recipients bringing the allowance to $2,000.

This shows a gradual improvement in the legislation and the regulations over the years. I continue:

There has been no adjustment whatever during the past eight years and none during the past 12 years in respect of a single recipient.

Therefore the Canadian Legion recommends:

That the personal property exemption be increased to $2,250 for a single recipient and $4,500 for a married recipient.

I hope consideration will be given to this recommendation.

Then we come to world war I Canadians who served in the United Kingdom forces. This has been considered. Representations have been made to the committee on a number of occasions throughout the years. It has been considered by veterans organizations. In this respect the Canadian Legion recommends:

That the act be amended to provide eligibility for those veterans with pre-world war I Canadian

domicile who served in the United Kingdom with His Majesty's forces during world war I for at least 365 days prior to the 12th day of November, 1918.

In fact we were discussing this type of situation in the committee today. We hope the question will receive consideration.

Next is the question of world war I service in the United Kingdom. The brief of the Legion contains the following:

The Canadian Legion has in its files the cases of many veterans of world war I who volunteered for service anywhere in the world and who, through no fault of their own, served only in England.

On this account the Legion recommends:

That the act be amended to provide for those veterans who volunteered for active service in any of His Majesty's Canadian forces prior to the coming into force of the Military Service Act in June, 1918, and who served in the United Kingdom during world war I prior to the 12th day of November, 1918.

I think perhaps one of the hon. members from the government benches who will follow me will deal with another aspect of that problem. Then there is the question of eligibility for posthumous pension awards. In that regard the Legion recommends:

That the act be amended to provide that such awards shall be considered to have been in payment prior to the death of the veteran.

Then there is the question of the supplementation of the widows' pension and the Legion recommends as follows:

That the act be amended to provide for supplementation to those widows awarded a widow's pension up to the maximum permissive ceiling under the War Veterans Allowance Act.

That is to allow for a period of adjustment following the death of the husband and for particular circumstances. I trust that recommendation will be given some consideration. Then there is the question of the continuation of married rates which has been discussed on a number of occasions. In that regard the Canadian Legion recommends:

That section 5(2) be amended to provide for the payment of married rates in such instances if, in fact, he was in receipt of married rates either at the time of the death of the spouse or child, or at any time within the 12 months preceding such death.

That recommendation is based on a few cases that were brought to the attention of the Legion by various branches throughout the country. Then there is the question of dependent's medical expenses which has been a matter that has been advanced by various veterans organizations, has been considered in the committee and has I know, been considered by respective governments. The Canadian Legion recommends as follows:

That the amount of permissible casual earnings be increased by the amount of such medical expenses.

[Mr. Herridge.]

We urge consideration of those representations. Then I want to support the previous speaker who urged consideration of those commonwealth veterans who served in India and on the Afghanistan frontier. That question was brought before the committee this morning by representatives of their organization and we listened to their representations with interest. From what we can gather their number would be very few. It was suggested during the committee hearing that the number possibly would be 50 or something approaching 50. I am not going to deal at length with this matter because I know there is a member on the government side of the house who has previously dealt with this question fully and is well acquainted with it. I happen to have one veteran among my constituents who would be affected if the government saw fit to amend the act to permit those veterans who served in Afghanistan to receive the war veterans allowance.

Finally, I do want to suggest that I believe that veterans or dependents who were in receipt of the war veterans allowance and then went to Great Britain or some other country should receive similar treatment to persons who receive old age security. The veteran or veteran's dependent has to return to Canada and reside for a year in this country and then if they wish they may return to the United Kingdom or some other country after qualifying for the allowance again as a result of 12 months' residence in Canada.

I had a case brought to my attention just before Christmas of the widow of a veteran who served in my company in the first world war who had been in receipt of the war veterans allowance in Canada for a number of years. Prior to the 1960 amendment to the act that made it possible for a recipient to draw the allowance and live outside Canada, this widow had returned to the United Kingdom. When she heard about the amendment she was very anxious to take advantage of it so her brother lent her the money to return to Canada in order that she would be able to spend a year here. She will be here until next January. On arrival in Canada she requalified for the allowance within two weeks but she has to spend a year here before she can return to the United Kingdom.

I suggest that where the record can be easily ascertained and there is no question of qualifying, shall I say, where there has been a clear-cut award of the allowance to a veteran or to a widow, the widow or veteran should not be required to return to Canada and reside here for 12 months. I think such cases could be handled by the administrator of the Department of Veterans Affairs in London. The veteran or widow could go

there and be interviewed by the appropriate official and qualify where it is a straightforward case.

I urge the minister to give consideration to an amendment that would avoid this unnecessary expense on the part of these persons. I think it is an unnecessary expense and in my opinion we should treat veterans and their dependents at least on an equal basis with those who qualify for old age security but who in some cases by no stretch of the imagination have fought in defence of Canada or have made the contribution that the wife of the veteran has made during his service overseas or has made since on account of the veteran's disabilities. In cases like that of the member for Kootenay West with his advancing years, his fidgetiness and crankiness and so on, I think the woman is entitled to some consideration and should be given consideration in these situations. I urge the minister to give consideration to that aspect of the War Veterans Allowance Act.

I have reviewed the major recommendations of the Canadian Legion. I have little more to say at this time except that I must say that although the work on the veterans affairs committee sometimes does not appeal to some members, the intellectuals, shall I say, I think that those members who have served on the committee throughout the years have got a great deal of pleasure out of it because it does provide an opportunity to keep in close touch with the question of the needs and welfare of veterans and their dependents. That close contact and the time spent studying these matters at least gives a feeling of satisfaction that he has tried to do a little something for his comrades and their dependents.

Mr. MacRae: Mr. Chairman, I welcome the opportunity to speak on this measure which is so important to veterans, a measure which I am sure is of interest not only to the veterans of this house but to all other members as well. There is an inscription on a soldier's grave in southern England in these words:

> God and the soldier
> Men alike adore
> When at the brink of danger,
> Not before.
> The danger o'er—both are alike requited,
> God is forgot
> And the brave soldier slighted.

The brave soldier slighted. I am sure the majority of Canadians feel that the veterans legislation of this country brought into effect over the last 40 or 50 years is certainly second to none in the whole world. That of course is as it should be because Canadians' record of service and sacrifice in the wars of freedom has been second to none as well.

I should like to compliment the Minister of Veterans Affairs on the energy and the understanding that he has brought to this department. He follows in the wake of many able ministers who have rendered distinguished service in this most important portfolio. Since we are dealing with war veterans allowances, I should like to compliment the minister also on the appointment recently of the new chairman to that board. In bringing Colonel W. T. Cromb to this board from western Canada, he brought a man who has distinguished himself in war and in peace, in the service of his country. Over the last few months, I have found he has given every sympathy and every consideration to the cases I have brought to him and his board, and, I am sure, to the cases of others.

Like most other members in this house, I suppose there is hardly a day goes by that each of us does not have a case of a veteran or a veteran's dependent come across our desks. Perhaps those of us who come from the maritimes—I say this in complete humility—have a few more cases than do members from other parts of Canada. For whatever reason, we seem to have had more men and women serving in the Canadian forces proportionately than any other part of Canada. I think the record will bear me out. Perhaps we could get into an argument about that. Our war casualties were heavy and, therefore, we seem to be getting more and more cases as the years go by. I know of families in which every man enlisted. I know of one case which six sons went to the war and five were killed. I know of one family in which eight sons went overseas and some never came home. I knew one community particularly well, because I was teaching there at the time, in which every able-bodied man enlisted. Only the youngsters and the old people were left at home. These men served in Hong Kong, France, Italy, at sea and in the air. Many of them were killed and wounded.

This is a most welcome measure, not only to those who are receiving war veterans allowance but to all Canadians. The present scale is $120 for a married recipient. They may then receive, under most necessitous circumstances, an additional $25 from the assistance fund. We know, of course, that this amount does not provide for the necessities of life, let alone the luxuries. In order to be fair, we must admit that the sum does provide a few of the necessities but it does not go far enough.

When the Pension Act was amended recently many letters were written to us from pensioners who were receiving small pensions. I am sure all hon. members received such letters. Of course, the pensions were increased but because of the ceiling on war veterans allowances the income of these veterans did not increase at all. Some of the letters were worded rather strongly. Although there were no aspersions cast upon my ancestry, some of these letters cast some aspersions upon our ability to benefit the veterans of this country. Most of these veterans will be taken care of by this amendment.

We are all familiar, of course, with the conditions of service required to qualify under the War Veterans Allowance Act. A veteran must have served in a theatre of war or, if not in a theatre of war, he must have enlisted in both wars or be in receipt of a small pension. The previous speaker, the hon. member for Kootenay West, referred to the 365 days of service in England which are necessary in order to qualify for an allowance. This provision has been given considerable attention in past years. England was not considered a theatre of war for those who went overseas in the 1914-1918 war, but it was in the second world war. I had referred to me a while ago the case of an old man who had served for 11½ months in England. He was, therefore, unable to qualify and did not receive the allowance which he badly needed. He was furious and his people were furious, but there was nothing we could do.

I suppose hon. members will ask whether or not that provision is going to be changed. I think the time is rapidly approaching when it should be changed. As has been pointed out, the average age of the men who served in the first war is now about 70. There may be a few who are 60, but they would have been in their early teens when they enlisted. Old soldiers never die, they just fade away. It is regrettable, but they are rapidly fading away now. If we are going to do anything for these men who, through no fault of their own, just got as far as England in world war I, it should be done now.

We can go too far with this idea of the welfare state, and we most likely will. However, we are dealing here with a very special group of Canadians. I would, therefore, urge the minister to be as generous as possible.

The minister put on the record some statistics from the annual report of the department. I should like to put a few more statistics on the record, that are of interest.

Before going further, I should like to compliment the minister upon the annual report turned out by his department. The content is good; it is factual and I like the way the report is bound, with the name on the cover. I think this is the way the annual reports of all government departments should be bound at the end of each year.

The number of cases that have been approved over the years is rather interesting. In 1930 the act was brought into force, as the minister pointed out, and in that year there were approximately 2,000 cases approved. This figure remained steady until 1939 when there were 4,336 cases approved. It is interesting to note that the number of cases approved in the years 1939 to 1945 dropped off. In some years there were only about 1,000 cases approved. What was happening there? It is very plain to see that these men who had fought in world war I and who had been badly used up, rallied to the service of their country in 1939. We all know of cases of men who were badly wounded in world war I who were drawing pensions but who re-enlisted to serve their country. We find, therefore, that up until 1945 the number of cases approved was very small. In 1945 and 1946 the number of cases approved for war veterans allowances began to increase very rapidly. From 1950 to 1960 the number of cases has maintained a constant level at about 12,000 per year.

There is an interesting fact that came to my attention when I did my research on this subject. The number of first world war veterans is slowly declining. This means, of course, as I said earlier, that first world war veterans are regrettably leaving the scene, the numbers of widows and orphans on strength is still holding up. In 1960, as of March 31, the number of cases, that is for veterans and widows, stood at 67,683. While the minister did not give the figures, I think the records will show that the steady growth of cases will increase about 3,000 more this year. Now, if the veterans of the first war are declining in numbers, then evidently the increase must be coming from those who served in world war II. I have endeavoured without much success in the last year or two to ascertain from an actuarial point of view just when the peak would be reached in connection with war veterans allowance. No one has been able to tell me. I suppose it is because there are so many unknown factors, so many imponderables. However, it would appear that about 1980 we will reach the peak of pension cases and veterans allowance cases.

There are a number of other interesting factors concerning approvals in the last year that I should like to put on the record. The veterans of world war I, South Africa and the Northwest field force numbered 3,068 and reinstatements numbered 2,749. The number of approvals for veterans of world war II

and Korea amounted to 1,668, and reinstatements, 971. The dual service allowances, that is for men who served in both world wars but who did not serve in a theatre of war, numbered 103 and reinstatements, 42. The number of approvals for commonwealth and allied forces amounted to 932, with 449 reinstatements.

I should like to query the minister on one point. I do not expect an immediate answer on this. When the minister referred to South African and Northwest field force veterans or Riel rebellion veterans, he implied that the eight who were still on the strength of the Northwest field force were dependents. I think I am right in drawing to the minister's attention that these are not dependents but are actually veterans of the Riel rebellion. Since then I understand that there has been one death and that there are now seven Riel rebellion veterans still alive. When you realize that it is 75 years since that particular bit of unpleasantness in this country, it means that these men must be somewhere in their mid-nineties. It is perhaps amazing that that is all the liability there is at this point. Just three or four years ago the last pension in the United States of America was paid in respect of the war of 1812. It seems to me that our neighbor was obliged to pay pensions for a long time for a war which it lost.

As to widows and orphans, this particular group seems to keep growing but is a liability that none of us would decry in any way.

There is another factor that has interested me in the statistics; I refer to the world war II group under 60 years of age. Rather surprisingly in that group there are 4,235 veterans of world war II who are in receipt of war veterans allowance. What that means in effect is this: This group of men unfortunately cannot maintain themselves and in the opinion of the W.V.A. board will never be able to do so. They have therefore been granted war veterans allowances.

There is one other point that interested me in the statistics. I refer to the number of British veterans who are in receipt of war veterans allowance. At the end of the fiscal year March 31, 1960, 8,757 British men and women who served in the imperial army were in receipt of war veterans allowance. This is a rather large number. It indicates the large number of men and women who served in the British forces—because this is a large number of people to be receiving veterans benefits—and who came to this country, this land of opportunity, after their service in world war I or in world war II.

Mr. Chairman, I have covered the points I had in mind. I should again like to compliment the minister on the fine service being rendered by his department, his officials and himself personally. The veterans of this country get sympathetic and courteous hearings on their pension and war veterans allowance claims. I as a veteran feel very happy that the men and women who served this country in time of war should have been so well treated, not only by this government but by all other governments over the years.

The Acting Chairman (Mr. Chown): I recognize the hon. member for Grey-Bruce.

Mr. Roberge: I rise on a point of order, Mr. Chairman. Is it not customary that, after a member supporting the government has spoken a member of the opposition be recognized?

The Acting Chairman (Mr. Chown): I saw the hon. member for Grey-Bruce. I apologize for not recognizing the hon. member who has just risen.

Mr. Winkler: As the hon. member who has just spoken mentioned in his concluding remarks, I too wish to compliment the minister on bringing in this legislation at this time. I wish to point out that when the legislation was initially brought in in 1930, it was brought in in order to deal with a specific situation with regard to the veterans of that day who found themselves in increasing need and who were not eligible under the terms of the Pension Act as administered by the pension commission. I would venture to say that a sentence in the brief presented by the Canadian Legion to the Prime Minister and the cabinet applies then as it does now, namely that the war veterans were compelled to pay the same prices—and probably high prices—for goods and services as were all other people and consequently the government of the day saw fit to support this group of veterans in that way.

We all have agreed that legislation of this particular type is not contentious and the request has been made by a number of veterans that it be expeditiously dealt with. I feel that the veterans of the country deserve a voice here in the House of Commons probably more than we at times are prepared to give them and do in fact give them. Consequently I am going to make some reference to some of the remarks that have been made previously in the house. I hope that no pressure will be brought to bear on any member of the House of Commons to terminate the discussion at this resolution stage.

This may be in some respects somewhat irrelevant, Mr. Chairman, on the other hand it has a very direct bearing on the discussion as we proceed in my opinion. On a previous occasion when another piece of pension legislation was being amended, I made some remarks in this house. I do not say this in

order to take advantage of the situation this evening nor do I speak with any political implication because, as a veteran myself I certainly feel that such legislation and discussion should not be contentious. In my brief years here as a representative of the people and of veterans, I have found that lip service is sometimes paid to this particular part of the question, but is not so much in evidence in other quarters in our operations here in the House of Commons. In speaking in the house on February 5, 1961—and I quote from page 1861 of *Hansard*—I said this to the minister at that time:

> —and I am sure he will in the not too distant future—introduce similar amendments to the War Veterans Allowance Act.

I made that statement without the knowledge that this resolution to amend the act would be forthcoming at this time and with the sincere hope and desire that the purpose for which the resolution has been introduced will be served. I feel in this way about it. Many veterans who are in receipt of war veterans allowance today, in my view, should be recipients under the Pension Act as administered by the pension commission. I say that for this reason. In 1939-40, when as very young men many students were accepted by the authorities of that day, they were not asked what their disability was. As a matter of fact they were not examined too closely. They were not made any promises either. They were taken for the service they could render. The men with whom I served performed this service with the full knowledge of what the price might be, without asking what the return would be or what awards might be made.

Therefore I feel that when a decision is rendered adversely against a veteran, where he has indicated that the problem with which he is confronted is attributable to a condition which existed prior to enlistment, my sympathies always lean on the side of the veteran.

Where a situation exists when a veteran becomes incapable of earning his own livelihood following his service due to a condition which is not attributable to service, I am always inclined to examine that veteran's background and experience and try to determine in my own mind what would happen to any of us under those circumstances. I can assure this committee that in many cases these people are possibly not being dealt with as fairly as I personally feel they should be. These are very serious matters to my mind and hon. members would be surprised at the number of such cases with which we have to deal.

It certainly is not a very enviable thing to examine these situations and review them.

Nevertheless I can assure the committee that I and these veterans who are now and will be recipients of war veterans allowance are extremely grateful for the measure that is being presented.

If I may, I should like to refer to another matter. This is a situation that was created on another occasion in connection with a statement made in the house in reply to a question put to the Minister of Veterans Affairs by the hon. member for Trinity. The hon. member observed:

> I wish to draw to the attention of the committee the necessity, in considering this item, to consider the revision of the War Veterans Allowance Act. The changes which were recently made in the Pension Act have resulted in pensioners being cut off from the supplements provided by the war veterans allowance and, worse than that, these pensioners no longer receive certain medical benefits which were previously available to them.
>
> I should like to suggest that the committee urge upon the government an early reconsideration of the War Veterans Allowance Act so that these people, who in many cases are very much in need, will receive proper consideration.

To the best of my knowledge this hon. member is not a member of the veterans affairs committee. This certainly does not exclude him from the privilege of asking this question of the minister. Immediately following that statement I said to the committee:

> I should like to say to the committee that this suggestion was made on numerous occasions during the consideration of the amendments to the Pension Act. If one refers to *Hansard*, one will find that this request was made by most hon. members who spoke.

Here is the way in which political advantage is taken by some hon. members. I do not say this because the hon. member to whom I am referring is not in the committee, nor do I make the next statement with any motive, but this may be the only opportunity I have of speaking in this regard.

I should like to refer for a moment or two to the minutes of proceedings and evidence of the standing committee on veterans affairs. I refer to the evidence contained in the minutes of proceedings and evidence No. 6 dated February 23, 1961. This recommendation was moved by the hon. member for Renfrew North and was seconded by the hon. member for Kootenay West:

> This committee recommends that the government give consideration to the advisability of amending clause 13 by deleting the words "in respect of any period before the first day of the month next following the day on which this act is assented to" and substituting therefor the words "in respect of any period before the first day of January, 1961".

Mr. Pickersgill: Mr. Chairman, I feel I must rise on a point of order. The hon. gentleman appears to be quoting from the proceedings

in committee on a bill which was before this house and settled by this house at the present session of parliament.

As you, sir, are well aware, of course, it is not within the rules of the house or the committee to revive debates on another measure at the same session of parliament.

Mr. Winkler: Mr. Chairman—

The Acting Chairman (Mr. Chown): Order. Does the hon. member who has the floor wish to make a comment on the point of order raised by the hon. member for Bonavista-Twillingate?

Mr. Winkler: Not on that immediate point, Mr. Chairman. However, since the hon. member for Bonavista-Twillingate has raised this particular point I should like to reply to the hon. member for a moment or two. The hon. member for Bonavista-Twillingate, during the last consideration of the pension—

The Acting Chairman (Mr. Chown): Order. I think I should rule on the point of order that has been raised. I would have to find that the hon. gentleman is out of order in referring to the minutes from which he was quoting. I would ask the hon. member to refrain from making any further reference to them.

Mr. Winkler: Thank you, Mr. Chairman. I think sufficient reference has been made. However, in dealing with the point raised by the hon. member for Bonavista-Twillingate, hon. members will recall that he interjected on a previous occasion in a debate on veterans affairs. I am happy to say that he was well and properly reprimanded by a member of the press gallery who is attached to a very reputable paper in the province of Ontario, and justifiably so, I think.

If the hon. member has not a distinct contribution to make on the point under consideration, better he should remain in his seat.

An hon. Member: You don't know the rules.

Mr. Winkler: When this matter is concluded at the resolution stage I think most hon. members will have placed their views before the committee. I hope at that time the terms of the bill are such as I believe they will be, and an expeditious passing of the bill will occur.

It was at the committee stage that I made the remarks referred to by the hon. member for Bonavista-Twillingate. Although they were, in a technical sense, irrelevant, nevertheless I can assure the committee that they were made for a purpose. The purpose is what I want to avoid in this instance, and that is the reason I made the interjection.

I certainly, as well as all other hon. members probably, do not wish to turn back the pages to the extent that we must make reference to other hon. members' statements when we disagree with them, even if it is on the other side of veterans legislation. I can say, however, just to indicate that we were not all of one mind, that efforts were made by some government members to change the date, or the circumstances of the legislation.

But let us not attempt to make any individual political profit from this. Rather let us institute the measure which the government has brought down for the benefit of veterans, truly and sincerely, on the date from which the government wants it put into effect. After all, this is the second time this government has considered veterans' welfare since 1957, and it will not be the last time. Let us pass the measure as it comes before us without endeavouring to take some small measure of benefit to ourselves politically. Again, I congratulate the minister and his officials for bringing this measure in at this time.

(Translation):

Mr. Roberge: We heard a plea *pro domo* by the hon. member who just sat down, and I may tell you that I entirely disagree with the theory he expounded in the latter part of his speech.

If the hon. member for Roberval (Mr. Tremblay) would stop yapping, we might continue our discussion calmly and peacefully.

Mr. Tremblay: I was speaking to my colleague.

Mr. Roberge: I understand, Mr. Chairman, that the hon. member for Roberval was speaking to a fellow member; but, according to standing orders, when a member has risen, no other member is allowed to speak.

As I was saying, I disagree entirely with the theory propounded by the hon. member who just concluded his remarks; if we accepted such philosophy, we might as well close down parliament and let the cabinet legislate as they please; for neither government nor opposition members would have an opportunity to make any suggestions in this house or in the various committees.

The resolution now before us—

(Text):

Mr. Winkler: On a question of privilege, Mr. Chairman, that is not what I said.

An hon. Member: That is the way it sounded.

Mr. Winkler: You had better read it tomorrow.

(Translation):

Mr. Roberge: Mr. Chairman, the resolution now before us is in four parts. The first one is designed:

To increase the monthly rates of allowances and permissible income ceilings.

That is the part I should like to discuss for a few moments.

Last night, when the minister made his statement on this resolution, he said there were 47,204 veterans now receiving veterans allowances. He also stated that some 13,000 veterans have had the sad experience (which was not intentional on the part of the government) to see their allowances reduced as a result of the 20 per cent increase in pensions brought about by the act we passed a few months ago. Now, those 13,000 war veterans represent approximately 30 per cent of the people eligible for war veterans allowances.

We shall have occasion to consider the legislation brought forward by the government. We shall scrutinize it and make such suggestions as we see fit. One such suggestion—in fact it is the only one I shall be making tonight—is that the government in the case of the 13,000 veterans I have just mentioned, should try to give retroactive effect to the improved rate.

In view of the fact that on March the 1st, which was the effective date of this Pension Act, those 13,000 war veterans had their allowances reduced, I see no reason why the matter could not be corrected now that we have this piece of legislation before us. Therefore, I would just ask the Minister of Veterans Affairs (Mr. Churchill) and the government to include a special provision in this bill, to make it retroactive for those 13,000 war veterans.

(Text):

Mr. Jung: Before I begin my brief remarks, may I say how delighted I am that you should be occupying the chair. Knowing that modesty is one of your many qualities, I wish to take this opportunity to place on record for the benefit of your constituents in Winnipeg South that you have on other occasions taken over the duties of chairman of the committee and discharged in a most exemplary manner the heavy responsiblities of that office. Lest hon. members think I may be prejudiced in your favour, let me say at once that the fact you are my colleague, my neighbour and the godfather of my twins has nothing whatsoever to do with it.

[Mr. Winkler.]

Earlier this year the Minister of Veterans Affairs addressed a public meeting in Vancouver and in answer to a question from someone in his audience replied that the government was deeply aware of the hardships facing those in receipt of war veterans allowances even though the War Veterans Allowance Act had been amended as recently as 1957. Subsequently some misgivings were expressed in certain quarters that notwithstanding the sympathetic interest shown by the minister the government had no intention of doing anything to alleviate the situation. I am therefore very happy that the minister has introduced this resolution, because it is an indication that the representations made by the private members of this party have borne fruit and that this government has indeed kept faith with the veterans of Canada.

As one who has served on the standing committee on veterans affairs since my election to this house in 1957 I take great satisfaction with regard to what we have done for the veterans. I know that many veterans in my riding will welcome this resolution. I have at least three branches of the Canadian Legion in my riding and there is another organization of which I am particularly proud because it is unique in Canada. I refer to the organization known as the Army, Navy and Air Force Veterans in Canada, Pacific group No. 280, Chinese Canadians. This organization has as its life president Her Majesty the Queen, and to my knowledge this group, composed of over 200 Chinese Canadian veterans many of whom served with me and are my friends from boyhood, is the only unit of its kind in Canada and is another indication that Chinese Canadians have served their country in war as well as their fellow Canadians.

This unit will be holding its fourteenth annual meeting in Vancouver on Sunday, May 28, and I am sure that all hon. members will want to join with me in extending congratulations to this unit and in expressing the hope that their contribution, which was so worth while in time of war, will continue to an even greater degree in time of peace.

In the brief presented to the Prime Minister and the cabinet by the Canadian Legion on December 12, 1960, some seven pages out of 40 were devoted to proposed amendments to the War Veterans Allowance Act. In dealing with the War Veterans Allowance Act the Canadian Legion discussed increases in rates and ceilings; allowances for widows and orphans outside of Canada; widow's allowance payable under section 30(11)(b); merchant navy personnel; casual earnings; interest on stocks and bonds; personal property; eligibility for posthumous awards and supplementation of widows' pension.

In his remarks tonight the minister covered three of these subjects, namely increases in the monthly rates of allowance and income ceiling, further exemptions in property and income and modification of certain conditions of service eligibility. I am sure the increase in rates and ceilings will be welcomed by all but for some time, Mr. Chairman, I have been particularly troubled by the plight of the wife of a veteran who is receiving war veterans allowance because in one particular field, namely that of medical treatment, the wife is not covered. In theory the veteran receiving the allowance could quite easily and conceivably spend all of his pension in paying for the medical treatment of his wife who might have spent 10, 20, 30 or more years in looking after him and who by reason of advanced age is no longer in a position to work. This situation distresses me because without the assistance of his wife the veteran might have been in a very bad predicament. I would therefore suggest that some consideration be given to the advisability of extending medical treatment to the wives of those veterans who are drawing war veterans allowance so that this very heavy financial burden may be taken from the shoulders of those who can ill afford to carry it.

I want to emphasize that I understand the principle that medical coverage and treatment facilities under the act are designed only for veterans and therefore civilians do not qualify. None the less I think a very good case can be made out for the wives and widows of pensioners and other qualified persons. I also realize that practically every province in Canada has its own hospital insurance plan under which many people are covered. However, I still feel there are gaps which must be filled from the resources of the federal government. I am hopeful that a national health plan will be implemented by this government. If this is done the problem with which I am concerned will disappear. However, until such time as a national health plan is established I feel there is some urgency in providing medical treatment for wives and widows who have been of so much help to their husbands.

I wish to conclude by saying that much as I appreciate the proposed increase in the rates and ceilings now payable, I know that within a short time representations will again be made for a further increase. The complaint will be advanced that the level of payment is not keeping up with the rise in the cost of living. I would therefore make a suggestion not only to the Minister of Veterans Affairs but also to all members of the government that henceforth when consideration has to be given to an increase in pensions of this kind, rather than grant the increase in one lump sum we settle on an amount which will be adequate by present-day standards and also make the provision that any increases henceforth will be based on the cost of living index.

It may well be that this index will fluctuate from province to province, but I think that if we can supplement the basic rate, which is a reasonable and decent one, with a payment to cover the increased cost of living we will remove any need to have continual representations made because provision could be made for a periodic review by the war veterans allowance board. I think this proposal is sound. It would remove any possibility of increases of this kind in pensions being used as a political football.

To me, Mr. Chairman, there is something rather pathetic and repugnant about veterans delegations coming to Ottawa year after year pleading for an increase. By granting an increase we recognize the validity of their claim. If we could attach a provision for the payment of a sum to keep pace with the cost of living index we would all be spared the criticism that pensions are inadequate. Parliament would still have control over those funds because parliament would have to vote the necessary sum to cover those ancillary payments. Therefore there would be an opportunity for full discussion. Even with such a provision the payment would still lag behind the cost of living, but if there was a yearly review the gap would not be so disproportionate.

I have other remarks to make but I shall defer them until a more suitable stage of the proceedings. In the meantime I wish once again to congratulate the minister and this government for again keeping their promises.

Mr. Montgomery: Mr. Chairman, usually I do not take up much time in speaking and seldom do I speak on a resolution preceding a bill. This may be owing to the fact that I would rather sit back and listen to others express their ideas from which I may learn. But I do feel I should say a few words on this resolution. One reason is that at the time the amendments to the Pension Act were before the house several members—I do not refer to opposition members in particular—rather implied afterwards that I was not in favour of granting increases to those recipients of war veterans allowance. This is quite wrong and is one reason why I felt I should say something on the resolution stage.

I suppose my trouble at the time, and it always has been, and I hear a great deal about it, is that these are two distinct acts. The people who are in receipt of a disability pension have always claimed to me that they felt they earned it. Those members who are

on the veterans affairs committee and were fortunate enough to be at the committee hearing the other day know that we had a delegation before us. The spokesman for that delegation made it very clear to us that those veterans who were in receipt of disability pensions really felt that they earned those pensions a little bit more than other veterans have earned theirs.

There may be an element of boastfulness in that feeling and I suppose that is the way I felt in expressing myself at the time we were dealing with that legislation. Now we are dealing with an act which provides assistance for a group of veterans who, regardless of their service, deserve assistance. The group to which this legislation applies is that group of men who at one time in their lives were willing to take the chances of any other soldier. Many of them were fortunate enough to go through the first world war and the second world war without catching a "blighty" as we used to say in the first world war or without incurring any disability that was disclosed by an examination, and these men did not receive a pension. While they were fortunate, there is no doubt that if men spend two or three years in the service, especially in strenuous positions in the front lines, there is a deterioration and disability does exist to some extent.

In any case, the veterans allowance legislation was brought into being to help those veterans who, probably through no fault of their own, found it difficult to re-establish themselves or who encountered sickness or trouble. In many cases they lacked education and some of them suffered from unfortunate circumstances such as may happen to all of us. These people arrive at a time in life when they cannot fit into a position where they can make a living. This legislation is for that group of people. I should like to say, and I mean it, that my heart goes out to all people, whether or not they are veterans, who find themselves in such a condition in the later years of their lives. These people have got to receive assistance from the rest of us who are fortunate enough to be able to maintain ourselves, pay our taxes and possibly lay a little bit aside.

As far as the veterans are concerned, as other members have said this evening I think they deserve special attention. I remember that in 1955, I believe, the then minister of veterans affairs initiated a thorough review of this act. The principle was established that a man who had seen service was aged ten years and provision was made to pay him the old age pension ten years earlier. As time has gone by and more consideration has been given to these veterans, benefits have been added until we have reached the point where an unmarried man or woman is allowed to have an income up to $1,000 including the war veterans allowance.

It was brought very forcibly to the attention of members of the committee and to all members of the house no doubt for the first time that in the vicinity of 13,000 veterans who had been receiving both a disability pension and the veterans allowance would get no benefit if the two acts were not amended in the same year. I know that all members of the committee felt the same way regardless of the party to which they belonged. They felt that we must endeavour to have the War Veterans Allowance Act amended this year so that those who had been in receipt of benefits under both acts would still be able to receive these benefits.

As others have done, I should like to pay my compliments to the minister because I know he has worked hard to get these amendments before the house. I am very glad they have been brought forward. I do not really think it is necessary for me to correct any impression that people may have got from the attitude they thought I had, but I really believe that war veterans allowance recipients deserve benefits far more than some disability pensioners because the disability pensioners do have a preference so far as many things are concerned. This group of veterans does not get a preference.

I suppose this is not the right place to mention it but I hope I am here when the amendments to the Civil Service Act are brought forward. A case involving a veteran brought this situation very forcibly to my attention. A man with some four years service in the second world war returned from service and he was fortunate in that he was not wounded. He was not disabled in any way and therefore he received no benefits. He came back, married and started a family and had a nice home. Through an unfortunate accident involving a tractor he was killed. The widow was left with three small children, the oldest being about 12 years of age now. She has to go out and work. She is a secretary and, all other things being equal, I think that as the widow of a veteran she should have some preference in civil service examinations.

This is the first time this matter has come to our attention. I can see no reason why a widow of a veteran who is responsible for educating three children and has no other income than that which she can earn should not be given every chance when she wants to go out and work. When she takes a civil service examination she has no preference. She has to take her chance with all the other

secretaries. I just mention that at this time because it does have something to do with veterans.

I should also like to join other members in paying my compliments to the officials of the Department of Veterans Affairs with whom I have come in contact. I really think that some of the speeches that were made on the amendments to the other act, to which I know I probably should not refer, did have some effect. I know of some pensions that have been granted in various parts of the country under section 70 where there had been difficulty in securing a pension before, and that is all to the good. As one member has said, there are many veterans in receipt of the veterans allowance who should be drawing nearly a full pension under the Pension Act but their cases could never be thoroughly established.

There is one other point I wish to mention. I have not made any particular study of the problem but I am inclined to think that the time is coming when those men who volunteered to serve in world war I should be permitted to draw war veterans allowance even though they did not get overseas. Actually, I think I could make a list of about 30 cases myself of men who would have given their right arm to get overseas in the second world war. They were kept in camps in Canada because they were good staff men. I do not believe these men should be penalized. I am not making this plea on behalf of the second world war men because a good many of them made good and they are not interested in this measure. However, I do believe that the men who volunteered to serve in world war I and who never got out of Canada should be brought under the War Veterans Allowance Act.

I do not believe there are any other points I wish to mention at this time. However, there may be some points I want to mention when I see the bill. Nearly every member has mentioned gaps in the legislation which he hopes will be covered. I do not look for too much. This act and the Pension Act have to be reviewed and brought up to date every few years. I do not know to what extent these amendments will satisfy hon. members. No doubt they will not satisfy me any more than they will satisfy anyone else. We are always going to want something more in the act.

It seems to me there will be something for the veterans affairs committee to study every year. A delegation appeared before our committee this morning to present several resolutions. Just as we started the representative said that he was going to remove some of the resolutions because he understood that legislation which had been passed or was before the house met some of the points referred to in their representations. I feel this is a rather encouraging sign to find that resolutions which were drawn by organizations four or five months ago have already been covered by legislation. I believe the disability pensioners in my area are fairly happy. I think the war veterans allowance group will be happy too. There will be some veterans who will not be covered by this measure unless there is some change in the period necessary for qualification. Those veterans who did not get in enough time overseas are going to be disappointed. The department, the minister and the government, in their wisdom will have to decide just what extension can be given. I think we must be thankful for what we do get for the veterans. I am sure the veterans who will be in receipt of these increases will be thankful. However, we will go on fighting for more if we do not get enough.

Mr. Pickersgill: Mr. Chairman, near the conclusion of what the hon. member who just sat down said, he made a reference to certain observations he might wish to make when he had seen the bill. I know how keen the Minister of Veterans Affairs is in his other capacity as leader of the house to get on with the business of the house, particularly these non-contentious measures, as quickly as possible without abridging anyone's right to make any suggestions, particularly on this kind of legislation. It does occur to me, sir, that it might facilitate the work, not just of the committee but of the house, if I said publicly what I have indicated privately to the minister, that is that I think I can speak for my friends on this side of the house when I say that if the minister would like, before the conclusion of this evening's sitting, to bring this stage to an end and ask for unanimous consent to go on with second reading of the bill, we would be willing to do so. I am not saying that there would not still be a debate on second reading, but we could get started on that debate by the end of this evening and perhaps get closer to the stage when this legislation would come into operation. I think I can speak for my friends on this side of the house when I say that we are ready to co-operate in that respect.

Mr. Payne: I should like at once to join with those who have congratulated the minister on assuming his new post. I do so as a former fellow officer of the Canadian armoured corps. I can assure the minister that the members of his old corps throughout Canada are proud to find one from our branch of the service in the role of Minister of Veterans

Affairs. They feel, as I do, that the resolution the minister has brought forward tonight is of vital importance.

At the outset, I should like to draw attention to a few of the statistics which the minister mentioned in his opening remarks. It is a fact that over 12,000 war veteran allowance recipients reside in the province of British Columbia. This is somewhat over one fifth of the total in Canada, and if we calculated population on the basis of this distribution, the population of our province should be close to 3,700,000. This is far from the case. I mention this fact just to try to emphasize how vitally important this war veterans allowance legislation is to the people of British Columbia, far more so than to any other province in this dominion.

It has not been the privilege of all members during the past three years to serve on the veterans affairs committee. I happen to be one of those members who have not been so privileged.

The cost of living in urban areas has had an influence on the distribution of this heavy population of war veterans allowance pensioners in British Columbia. As a result of a desire on the part of many veterans in the prairies to move to a milder climate, many of them have come to the greater Vancouver area. Shortly thereafter, they find living costs are prohibitive. These pensioners have, therefore, moved up the coast. Those of us who are in the coastal regions up the coast from Vancouver therefore find in our area an inordinately high percentage of the 12,000 war veterans allowance recipients residing in British Columbia.

As I said earlier I have not been privileged to serve as a member of the war veterans committee so, as a member who represents literally thousands of war veterans allowance recipients, I should like to call attention to a few major points. I can assure the minister and you, Mr. Chairman, that those who are in receipt of war veterans allowances are grateful for this worth while and logically administered program. However, because of the cost of living, their interest has been great in seeing an increase in the amount of the pension.

I can assure you that the many hundreds and even into the thousands whom I represent will wish me to convey to the minister their gratefulness on seeing this change come into being. I think it is perhaps safe to say that nowhere else in Canada are these pensioners faced with living costs which make this change so urgent and so necessary. Many of those throughout my riding have discussed at some length the ceilings on their earnings. It is with great pleasure again tonight that we learned the minister has indicated that adjustment upwards in the ceiling will be established by the new legislation.

There is, however, one point which I should most meticulously like to draw to the attention of this committee at this time. I refer to the W.V.A. recipient over the age of 70 and his position with relation to the old age security pension. If it can be done, and if it is financially feasible, it would certainly be appreciated if the war veterans allowance recipients after the age of 70 were able to receive old age security benefits, as are pensioners from industry and other walks of life who have reached that retiring age, without in any way reducing their basic war veterans allowance.

I should like to join with my colleague from Vancouver Centre who discussed the situation of medical treatment and hospital care for the wives and the widows of war veterans allowance pensioners. I do this without criticism of this government. I feel it is well to point the finger where the finger should be pointed. In this case I refer to the regulations under the public health and welfare branch of the province of British Columbia. I would urge the minister and his department to make contact with them in a spirit of cooperation and good will in order to ascertain whether the province of British Columbia cannot do something in a fair and equitable way to see that these wives and widows are treated as are the wives and widows of all other non-war veterans allowance pensioners. I think this is a charge against the provincial government which they would be prepared to adjust in order to treat W.V.A. pensioners' wives and widows on an equitable basis provided the facts were strongly brought out and the situations were made known.

There is one other phase of this matter which has been discussed I believe by two hon. members who have spoken previously. It has to do with merchant seamen. I think very frequently the situation of merchant seamen is little appreciated or understood by many of those who are resident in areas which are not tidal. During the war many of these chaps were frozen in their positions. Many of them served at sea in Canada's merchant services and had no option, despite their wish to serve in Canada's armed services.

Another common misconception is, of course, that these Canadian merchant seamen benefited with rates of pay and other considerations comparable with those of merchant seamen from the United States. This unfortunately is not the case. Their rates of pay remained in a frozen state based upon the date that their retention was insisted on by arrangements Canada made in many cases with the British admiralty. In the course of

service Canada's merchant seamen visited ports in theatres of active operations. I can take you, I would say quite modestly, to 38 merchant seamen who received severe injuries and wounds who are today incapacitated to a very large degree and are suffering from the services they provided to this nation at a time of dire need. I would urge upon the minister and the members of this committee that fresh thought be given to and a fresh look be taken at our responsibilities to Canada's merchant seamen who saw service, have suffered injury and are incapacitated through serving in active theatres of war.

Mr. Phillips: At the risk of offending the hon. member for Bonavista-Twillingate, Mr. Chairman, I should like to make a few remarks on this resolution. I was rather surprised when the hon. member for Bonavista-Twillingate tried to close discussion on this resolution. I was thinking of the amount of time that he and his colleague, the hon. member for Laurier spent in discussing the bill to provide for 12 directors on the Canadian National Railways.

Mr. Pickersgill: Mr. Chairman—

Some hon. Members: Oh, oh.

Mr. Pickersgill: —I am rising on a question of privilege. The hon. gentleman has suggested that I was seeking to restrict this debate. I was not seeking to do anything of the kind. My language which will appear in *Hansard* tomorrow will make that fact very clear. I was seeking to do what the government asked the opposition to do, namely to co-operate in a reasonable way in trying to speed up the work of parliament, particularly that part of the work on which there was unanimity in the house. If there is anyone who wants to speak on this resolution and who has something to say, as I said earlier I do not think he should be restricted in any way whatsoever. But in view of the very sensible observations that were made by the hon. member for Victoria-Carleton I suggested that perhaps it would facilitate debate if we passed the resolution and had debate on the bill. I suggested that as a step towards co-operation to the government. If the government or its supporters do not wish to accept that suggestion, it is entirely for them to decide. It should not be suggested, as the hon. gentleman has done, that that is an attempt in any way to restrict his freedom or that of any other hon. member to say anything he likes as long as it is according to the rules.

Mr. Phillips: Had the hon. member been a little bit more patient and had he allowed me a little bit more time he would have understood that what I was attempting to explain was that I was surprised that he placed the importance of the 12 directors of the C.N.R. above that of an extremely important measure such as this one.

Mr. Thrasher: It is of no importance.

Mr. Phillips: It is sincerely hoped that this is not the importance that the Liberal party—

Mr. Thrasher: To assist the veterans is of no importance? That is what the hon. member said.

Mr. Pickersgill: I said that the 12 directors of the C.N.R. were of no importance; and relatively they are not of importance.

Mr. Phillips: When the hon. member for Bonavista-Twillingate visits Kings county next week, I hope he will discuss the 12 directors of the C.N.R. and forget the veterans pension.

Mr. MacEwan: May I ask the hon. gentleman a question? Is it true that there has been a call for the hon. member for Bonavista-Twillingate and the official Leader of the Opposition to go down and help to get some of the ice out of the strait?

Mr. Phillips: It is quite true that the hon. gentlemen referred to do on occasion generate a certain amount of heat, but if they accomplish that purpose it will be the only useful purpose they have achieved.

I should like to congratulate the Minister of Veterans Affairs on this measure and on the other legislation introduced this session.

We had, first, the increase in disability pensions, then the reduction in the amount of land required for small holdings, and this measure completes the triad. When the disability pensions were increased there seemed to be considerable confusion concerning the future of the war veterans allowance. Like many other hon. members, I am sure, I have received representations concerning war veterans allowance. A branch of the Canadian Legion in my riding forwarded me a resolution urging an early revision of this act.

In a constituency such as mine the war veterans allowance is more important than it is in an urban riding. In an urban riding we find people retiring on pensions from the civil service and various employer-employee pension schemes. In a rural area the farmers and fishermen do not have this opportunity to retire on pension and therefore much greater emphasis is placed on war veterans allowance.

I also find that the general public express a great deal of interest in veterans legislation. I find that when people are speaking to me on behalf of veterans or veterans' widows

they are most emphatic that these people should receive special treatment because of their contribution to the nation.

In making his remarks the minister requested hon. members to make suggestions concerning improvements in the legislation. One complaint I have received on a number of occasions concerns the 12 month service provision prior to the armistice. I realize there is a great deal of controversy among world war I veterans concerning this qualification, but I believe world war II veterans would appreciate seeing this qualification eliminated or reduced. The number of veterans affected is very small; I understand it is in the vicinity of approximately 5,000. Perhaps the minister could give consideration to either eliminating this qualification or reducing it.

The saddest war veterans allowance cases that I have had drawn to my attention are those of widows of recipients of war veterans allowance. These widows receive the war veterans allowance for a year and then it is discontinued.

It is said that the widow is under 55 years of age and is able to work. However, in a small town, with children, it is difficult to obtain either full or part-time employment. I should like to see consideration given to the allowance being continued to widows, especially in cases where there are small children.

One other complaint I have received concerns the amount of permissible income. The complaints have been that it was not high enough, and formerly there was a monthly limit on the income that could be earned. This situation has been improved and clarified. This has enabled a great many people to earn extra income. It has also allowed a great many qualified people, such as nurses, to return to their professions. Formerly, if a nurse took a case she would be more or less limited to four or five days' nursing; then she would have earned her permissible income for that month and would either have to discontinue attending the patient or have her income deducted from her husband's war veterans allowance.

There are two further points I should like to draw to the minister's attention. The first is that I feel there is too much emphasis placed upon the aspect of permanent disability. A war veteran may develop a severe case of ulcers and be unable to work for a period of, say, a year. But as long as there is hope of him receiving medical treatment and achieving recovery he is not eligible for war veterans allowance. When the veteran is unable to work and has no income, this further aggravates his condition. I think this applies particularly to ulcer cases. I would appreciate consideration being given to this question.

The other complaint I have received in regard to war veterans allowance and the qualification for permanent disability allowance concerns the type of work available and the skill of the individual. A veteran who is qualified only as a labourer would have a difficult time carrying on with a partial disability. It is true that he could be referred to light work such as operating an elevator, or something of that nature, but in many areas this type of work is not available.

I hope the minister and the war veterans allowance board will pay more attention to this aspect of the legislation in the future. It is fine to say that a veteran can carry on light work, but if he is a labourer, farmer or fisherman it is very difficult for him to obtain light work. I think there could probably be more consideration given to this matter when these cases are being considered.

Mr. Smith (Lincoln): Mr. Chairman, my remarks at this time will have to be brief. I should like to confine them particularly to a problem concerning a small group of imperial veterans.

However, before I proceed along those lines I should like to congratulate the Minister of Veterans Affairs for initiating and bringing forward such a full program of benefits and assistance to our war veterans during this session of parliament.

First we had the 20 per cent increase in disability pensions. This was well deserved and well received. We now have this resolution to amend the War Veterans Allowance Act and to grant increases and other benefits which I am sure will be equally well appreciated.

When we look back to the days of the first world war it is interesting to note that the proposed increases to veterans allowance come at a time when the very youngest veterans who saw service at that time will now be 60 years of age, which is the age limit for veterans allowance. It will also provide much needed extra assistance to the elderly veterans and sweeten the declining years of their lives.

This problem I intend to bring up concerns imperial veterans. I brought it up last year and went into it at considerable length. However, I am not going to confuse the issue by reading over a lot of correspondence and different documents I have here on file. I would just like to state briefly that this problem concerns a group of imperial veterans who served on the Afghanistan frontier between 1914 and 1919. The records show there were about 5,000 of them altogether and it is possible there may have been Canadians among

them, at least people who had lived in Canada prior to the war. It will be recalled that a great many Britishers who were here when the war started returned to their native land and joined the regiments with which they had been associated before they came to Canada. This group served on the Afghanistan frontier. There were about 5,000 of them. But there were many thousands of other British or commonwealth troops who served in different parts of India and on the frontier. But this small group of 5,000 did not get the British victory medal and for that reason they were not entitled to war veterans allowance. They received other medals. They received the Afghanistan medal. They received the Indian frontier medal and they also received the general service medal.

I should like to put on record a case with which I am familiar. It is the case of the widow of one of these veterans. Her husband served some 12 years in the imperial forces and, not through his choice, when the war began in 1914 he was sent to the East and he spent his time in India. He was one of this force which was on the Afghanistan frontier. He has passed on now, but his widow is in dire need of assistance and I should like to deal with this particular veteran's widow. Her husband, as I say, had about 12 years' service in the army. He served during the war from 1914 to 1919. He had three medals given to him for active service. He had the red chevron for 1914 and he had the blue ones for 1915, 1916, 1917, 1918, and 1919. Unfortunately he had not been granted the victory medal and for that reason his widow is today not entitled to war veterans allowance.

This lady, who had such an outstanding husband who did not enjoy particularly good health while he was in Canada due to a tropical disease he had contracted while serving in India—malaria and other troubles —is today required to go to the welfare office every two weeks and pick up her welfare cheque. I know there are hundreds if not thousands of women who have to do that. Nevertheless, this is the widow of a veteran who had a very good record of service but due to some misunderstanding this small, group of British veterans he served with did not receive the victory medal and are not entitled to veterans allowances. This lady happens to be one who has to suffer because of it. As I say, some 5,000 troops were involved in this campaign. I have all the records here but, as I mentioned, I do not want to delay the committee by dealing with them now. My time is about up. Nevertheless this is in my opinion a very worthy case.

According to some estimates there are perhaps 50 of these veterans in Canada today. I do not, myself, think there are as many. I know of three men in southern Ontario. The hon. member for Kootenay West says he knows of one. I know it would be impossible to get the British government today to act and award victory medals to these men now but my suggestion is—and I made it last year and I notice that the British imperial veterans are asking for the same thing—is simply this: I strongly recommend to the minister that the 1914-1919 award of the Indian general service medal be accepted as entitlement to the war veterans allowance as well as the victory medal.

As I say, there is a very small group which would be affected. In dollars it would not amount to very much. Nevertheless it would be of great assistance to those who are suffering simply because there was a mistake made some 40 years ago.

The Chairman: It being ten thirty o'clock shall I rise and report progress?

Some hon. Members: Pass the resolution.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Pickersgill: Perhaps the leader of the house would indicate what the business of the house will be for the rest of the week. It might be useful to have it on record for reference.

Mr. Churchill: Tomorrow the house will not be sitting for more than two hours. We shall continue, and, I hope, complete, the second reading of Bill No. C-94 to amend the Canadian National Railways Act. Then for the balance of the week we shall consider the estimates of the Department of Transport, followed by those of the Department of Justice.

Mr. Pickersgill: Not fisheries, as previously announced by your colleague earlier?

Mr. Churchill: No.

At 10.30 p.m. the house adjourned, without question put, pursuant to special order.

Question

ANSWER TO QUESTION

The following answer, deposited with the Clerk of the house, is printed in the official report of debates pursuant to standing order 39:

GERMAN-AUSTRIAN CANADIANS—PENSIONS AND ANNUITIES

Question No. 165—**Mr. Argue:**

1. Has a resolution, approved by the director of the trans-Canada alliance of German-Canadians on February 19, 1961, concerning the loss of German and Austrian old age annuities and pensions to German immigrants on becoming Canadian citizens, been received?

2. If so: (a) what action is requested of the federal government; (b) what reply has been made?

Answer by: **Hon. J. W. Monteith (Minister of National Health and Welfare):**

1. Yes. Mimeographed copies of a resolution were sent to the Prime Minister and to the ministers of external affairs and National Health and Welfare. The Minister of National Health and Welfare replied on behalf of himself and his colleagues.

2. (a) The resolution urged the government "to enter into a reciprocal treaty with the government of West Germany and the government of Austria with the intent that no individual's rightful claim to social security from these countries shall be lost by becoming a Canadian citizen."

(b) The organization was assured that their representations had been carefully noted and would receive most sympathetic consideration in future social security planning.

HOUSE OF COMMONS

Wednesday, May 17, 1961

The house met at 11 a.m.

STARRED QUESTIONS

RAILWAY STUDIES BY WOODS, GORDON COMPANY

Question No. 328—**Mr. Fisher:**

1. Has the Canadian National Railways, alone, or in concert with other railways, engaged the services of Woods, Gordon and Co. in the past three months for any study in the management, economic policy, or union relationship sectors?
2. If so, when is the study to be received?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, the answer to part 1 is no and part 2 is answered by the answer to part 1.

C.N.R. CAPITAL STOCK PURCHASES, TRUCKING COMPANIES

Question No. 329—**Mr. Fisher:**

1. What was the total purchase price to the Canadian National Railways of the capital stock in the following companies, described as included in the Canadian National Railways system on page 27 of the 1960 C.N.R. annual report: Eastern Transport Limited, East-West Transport Limited, Empire Freightways Limited, Sydney Transfer and Storage Limited?
2. What was the recorded net worth in total of the above companies as of the respective dates when the Canadian National Railways acquired ownership of their capital stock?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, the management of Canadian National Railways advise as follows. The answer to part 1 is $1,400,000 in round figures. As to part 2, the disclosure of such information would be prejudicial to current negotiations.

WINTER WORKS PROGRAM BY PROVINCES

Question No. 333—**Mr. Clermont:**

1. Since December 21, 1960, with respect to each province: (a) how many municipalities, cities, and towns have made applications to the federal government in connection with undertakings to be carried out under the winter works assistance program? (b) of these applications, how many have been accepted? (c) what is the total estimated cost of the approved undertakings? (d) what is the estimated amount contributed thereto by the federal government by way of direct wages?

Mr. R. D. Thrasher (Parliamentary Secretary to the Minister of Labour): Mr. Speaker, the answer to this question contains a great deal of statistical information. I would ask either that the answer be taken as read and incorporated in today's *Hansard* or it be made an order for return.

Mr. Speaker: Is the answer quite extensive?

Mr. Thrasher: Very extensive, Mr. Speaker. Perhaps it could be made an order for return.

Mr. Speaker: Order for return.

PRIVATE BILLS—EXAMINATION BY MINISTERS

Question No. 334—**Mr. Howard:**

1. Has the Minister of Justice examined each private bill relating to divorce introduced during the current session of parliament in order to ascertain whether any of the provisions thereof are inconsistent with the purposes and provisions of the Canadian Bill of Rights and, if so, upon what date was each such bill so examined?
2. Have any such inconsistencies been found, and, if so, what are they?
3. In the process of so examining such bills, was the evidence taken before the Senate divorce committee upon which each such bill was founded also examined?

Hon. E. D. Fulton (Minister of Justice): The answer is as follows:

1. The Canadian Bill of Rights states that "the Minister of Justice shall, in accordance with such regulations as may be prescribed by the governor in council, examine ... every bill introduced or presented to the House of Commons, in order to ascertain whether any of the provisions thereof are inconsistent with the purposes and provisions of this part (part I) and he shall report any such inconsistency to the House of Commons at the first convenient opportunity".

The following private bills relating to divorce, which have been presented to the House of Commons, have been examined as required by the Canadian Bill of Rights:

Bill No.	Date
SD- 1 to SD- 21	March 7, 1961
SD- 22 to SD- 44	" " "
SD- 45 to SD- 53	" " "
SD- 54 to SD- 75	" " "
SD- 76 to SD- 85	" " "
SD- 86 to SD- 94	" " "
SD- 95 to SD-108	" " "
SD-109 to SD-121	" 13, "
SD-122 to SD-148	" " "
SD-149 to SD-179	" 20, "
SD-180 to SD-205	April 6, "
SD-206 to SD-232	May 2, "

The following private bills relating to divorce, which have been presented to the House of Commons, have not yet been transmitted by the Clerk of the House of Commons to the deputy minister of justice and have, therefore, not been examined as required by the Canadian Bill of Rights:

SD-233 to SD-237.

2. No.

3. No.

Starred Questions

COLUMBIA RIVER BRIDGES, B.C.

Question No. 336—**Mr. Herridge:**

1. With respect to the nearly completed two-lane trans-Canada highway suspension bridge, spanning the Columbia, west of Revelstoke: (a) what is the bridge seat elevation at the west end? (b) what is the bridge seat elevation at the east end? (c) what is the crest elevation of water at bridge site, if the High Arrow dam is constructed? (d) does crest elevation of water permit clearance for navigation, floating trees, forest debris, and ice? (e) will reconstruction of this bridge be necessary if the High Arrow dam is built, and, if so, what is the estimated cost of same?

2. With respect to single track, main line Canadian Pacific Railway bridge, across the Columbia, west of Revelstoke: (a) what is the bridge seat elevation of this bridge? (b) what is the crest elevation of water at bridge site, if the High Arrow dam is constructed? (c) does crest elevation of water permit clearance for navigation, floating trees, forest debris, and ice? (d) will reconstruction of this bridge be necessary if the High Arrow dam is built, and, if so, what is the estimated cost of same?

3. With respect to provincial highway bridge crossing the Columbia, west of Revelstoke: (a) what is the bridge seat elevation at the west end? (b) what is the bridge seat elevation at the east end? (c) does the crest elevation of water permit clearance for navigation, floating trees, forest debris, and ice? (d) will reconstruction of this bridge be necessary if the High Arrow dam is built, and, if so, what is the estimated cost of same?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, this question involves more than one department and will call for a lengthy reply; so on behalf of the Secretary of State I would ask that this question be made an order for return.

Mr. Speaker: Order for return.

TELEPHONE LINE TRANSFER, CAPE BRETON ISLAND

Question No. 337—**Mr. Robichaud:**

1. Has the Department of Transport transferred the operation and ownership of its telephone lines in certain areas of Cape Breton island to the Maritime Telegraph and Telephone Company Limited?

2. If so, what mileage of line and areas are affected?

3. What are the terms of the transfer?

4. Did the Maritime Telegraph and Telephone Company pay for this line, and, if so, what amount?

Hon. Leon Balcer (Minister of Transport): The answer to this question is as follows:

1. Yes.

2. (a) 117 miles of line in the Marion Bridge area, Victoria constituency.

(b) 178 miles of line generally in the Inverness-Richmond constituency.

3. (a) In the Marion Bridge area, the Department of Transport undertook to rebuild the pole lines immediately after the transfer.

[Mr. Fulton.]

The Maritime Telegraph and Telephone Company undertook to rebuild the wires and expand the service as required. The terms of the transfer include lines and ancillary equipment.

(b) In the Inverness-Richmond area, the Department of Transport, in lieu of rebuilding the pole lines, as was done in the case of the Marion Bridge area, agreed to pay to the Maritime Telegraph and Telephone Company the equivalent cost in the amount of $150,000, and the company undertook to do all the work required to expand the service, rebuild the pole lines, wires, etc. The terms of the transfer included all lines and ancillary equipment.

4. The consideration in respect of each transfer was the nominal sum of one dollar.

COLUMBIA RIVER—FLOOD DAMAGE TO INDIAN RESERVES

Question No. 338—**Mr. Howard:**

1. Will any Indian reserves or Indian graveyards be flooded as a result of the proposed Columbia river project?

2. If so, what is the area and location of each such reserve or graveyard, the estimated compensation accruing to the Indian bands for each reserve, and the estimated cost of relocating each graveyard?

3. With respect to the relocation of the graveyards, what steps have been taken to acquire additional lands, and what has been the degree of success experienced?

Hon. Ellen L. Fairclough (Minister of Citizenship and Immigration): Mr. Speaker, the answer to part 1 is that it is contemplated that some Indian reserve land will be affected; this is particularly so if the Okanagan-Similkameen basin portion is developed. So far no application has been received for any land, and until detailed information is available it cannot be determined if any graveyards are involved. Consequently I cannot answer the other questions.

C.B.C. BROADCASTS—REPRESENTATIONS BY FINANCE MINISTER

Question No. 340—**Mr. Lessard:**

1. Have any representations been made by the Minister of Finance to the Canadian Broadcasting Corporation either by letter, telephone, or conversation, with regard to any television program broadcast or proposed to be broadcast?

2. If so, when, and how were they made, what was the nature of these representations, and to what program were they referring?

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, the answer is no.

GEORGE AND BRUCE RILEY

Question No. 343—**Mr. Pickersgill:**

1. Was Mr. George Riley employed in the national park in Prince Edward Island?

2. If so, for what periods, and what were his duties?

3. Was Mr. Bruce Riley employed in the national park in Prince Edward Island?

4. If so, for what periods, and what were his duties?

5. Did Mr. George Riley also hold a position with the provincial government?

6. Was (a) Mr. George Riley (b) Mr. Bruce Riley, unemployed at the time he was engaged for employment in the national park?

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, the answers to this question are as follows:

1. Yes.

2. Continuously from November 28, 1960. He was employed as a carpenter.

3. Yes.

4. From November 28, 1960 to April 28, 1961. Carpenter.

5. According to departmental records, Mr. George Riley was employed for eight days in November, 1960 by the Prince Edward Island government.

6. As far as can be determined, both Rileys were unemployed when engaged for employment at the park.

WASHABUCK CENTRE WHARF REPAIRS, N.S.—FOREMAN

Question No. 344—**Mr. Robichaud:**

1. Was a foreman employed by the Department of Public Works to supervise wharf repairs at Washabuck Centre, Victoria county, Nova Scotia, during the winter of 1960-61?

2. If so, were instructions issued to the foreman that only supporters of the present government could be on this program?

Hon. D. J. Walker (Minister of Public Works): Mr. Speaker, the answer to part 1 of this question is yes, and the answer to part 2 is no.

CAUGHNAWAGA INDIAN RESERVE—LEASE OF LAND FOR GOLF COURSE

Question No. 345—**Mr. Howard:**

1. Has any portion of the reserve lands of the Caughnawaga Indians been leased for the purposes of a golf course and attendant facilities?

2. If so, is any portion of the leased land used for the selling, serving or consuming of liquor; and what is the position, with respect to the prohibitive sections of the Indian Act dealing with liquor, of any person who sells, serves, or consumes liquor on the said lands?

Hon. Ellen L. Fairclough (Minister of Citizenship and Immigration): Mr. Speaker, the answers to this question are as follows:

1. Yes, on October 1, 1920.

2. It is not known whether any portion of this leased land is used for the selling, serving or consuming of liquor. Sections 93 and 96 of the Indian Act would apply to this land.

NEILL ADVERTISING AGENCY, BRANDON, MAN.

Question No. 347—**Mr. Pickersgill:**

1. What is the street address and telephone number of the Neill advertising agency of Brandon, Manitoba, which handles advertising contracts from the Department of Northern Affairs and National Resources?

2. How long has this agency been at the present address, and what was the previous street address and telephone number of the agency?

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, the following are the answers to this question:

1. 201 Kennedy building, 107 Seventh street, Brandon, Manitoba. Telephone number, Parkway 6-2675.

2. Since April 15, 1961. Previous address and telephone number: Leech printing building, Eighteenth street and Park avenue, Brandon, Manitoba. Telephone number, Parkway 6-6054.

JACK STEPLER

Question No. 348—**Mr. Martin (Timmins):**

1. Has a Mr. Jack Stepler recently been appointed to a position within the Canadian high commissioner's office in the United Kingdom, and, if so, to what position?

2. What is Mr. Stepler's (a) annual salary (b) expense structure, both normal and extra, if any (c) date of appointment (d) duties?

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, the answers to the question are as follows:

1. Yes. Special adviser on press relations in the office of the high commissioner for Canada to the United Kingdom, London, England.

2. (a) $12,000 per annum.

(b) An allowance of $8,000 per annum, and travel and removal expenses in accordance with the provisions of the foreign service officer regulations.

(c) May 15, 1961.

(d) Answered by the answer to No. 1.

[*Later:*]

On the orders of the day:

Mr. Frank Howard (Skeena): I should like to direct a question to the Minister of Finance in his capacity as Acting Prime Minister. Was the highly remunerative $20,000 a year position to which Mr. Stepler has been appointed filled on the basis of a competition open to other interested people?

Hon. Donald M. Fleming (Acting Prime Minister): Mr. Speaker, there is a patent error in the question. I gave the information this morning that the salary in question is $12,000 and the allowances for the position are $8,000. The function of allowances, of

course, as I am sure the hon. member must realize, is quite different from the function of a salary.

As to the details of the appointment, if the hon. member wishes to put his question on the order paper seeking information as to considerations relative to the appointment, that information will be given.

Mr. Howard: A supplementary question.

Some hon. Members: Order paper.

Mr. Speaker: Order.

Mr. Howard: Mr. Speaker, as a supplementary question may I ask the Acting Prime Minister if this was another of those secret appointments?

Mr. Fleming (Eglinton): Mr. Speaker, perhaps I may be permitted to reply. There is a nasty insinuation in that last question as applied to the government, perhaps, but certainly as applied to the individual. I feel I should say this concerning the individual. He is a highly competent civil servant who has been appointed to this position. I think this is no time to be casting slurs on a person who has been appointed to this position.

Mr. Howard: May I speak to the point of order?

Mr. Speaker: I did not hear any point of order. The minister was replying to the question which the hon. member raised. I think a further supplementary question would be inadvisable.

UNEMPLOYMENT INSURANCE COMMISSION—SECURITIES AND FEDERAL LOANS

Question No. 349—**Mr. Caron:**

1. Does the unemployment insurance commission hold any securities? If so, what is (a) the par value (b) the market value, of any such securities as of May 15, 1961?

2. Of the total loans made by the government to the unemployment insurance fund: (a) what amount has not yet been reimbursed as of May 15, 1961? (b) what is the par value of securities pledged for any such loans not yet reimbursed?

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, the answers to this question are as follows:

1. Yes.
(a) $87,045,500
(b) $73,086,675.62.
2. (a) $124 million.
(b) $158,757,000.

QUESTIONS PASSED AS ORDERS FOR RETURNS

C.B.C. CONTRACTS FOR PRINTING, ADVERTISING, ETC.

Question No. 133—**Mr. Pigeon:**

1. During 1959 and 1960, has the Canadian Broadcasting Corporation (English and French networks) invited public tenders for the following expenses incurred by its national and international services (a) printing of publications (b) advertising and publicity (c) stationery and office supplies?

2. In any case, what are the names of (a) the printers to whom printing contracts have been awarded, and what is the amount of each such contract (b) the advertising agencies to which contracts have been awarded, and what is the amount of each such contract (c) the persons by whom stationery and office supplies have been supplied, and what amount has been received by each of them?

WINTER WORKS PROGRAM BY PROVINCES

Question No. 333—**Mr. Clermont:**

Since December 21, 1960, with respect to each province: (a) how many municipalities, cities, and towns have made applications to the federal government in connection with undertakings to be carried out under the winter works assistance program? (b) of these applications, how many have been accepted? (c) what is the total estimated cost of the approved undertakings? (d) what is the estimated amount contributed thereto by the federal government by way of direct wages?

COLUMBIA RIVER BRIDGES, B.C.

Question No. 336—**Mr. Herridge:**

1. With respect to the nearly completed two-lane trans-Canada highway suspension bridge, spanning the Columbia, west of Revelstoke: (a) what is the bridge seat elevation at the west end? (b) what is the bridge seat elevation at the east end? (c) what is the crest elevation of water at bridge site, if the High Arrow dam is constructed? (d) does crest elevation of water permit clearance for navigation, floating trees, forest debris, and ice? (e) will reconstruction of this bridge be necessary if the High Arrow dam is built, and, if so, what is the estimated cost of same?

2. With respect to single track, main line Canadian Pacific Railway bridge, across the Columbia, west of Revelstoke: (a) what is the bridge seat elevation of this bridge? (b) what is the crest elevation of water at bridge site, if the High Arrow dam is constructed? (c) does crest elevation of water permit clearance for navigation, floating trees, forest debris, and ice? (d) will reconstruction of this bridge be necessary if the High Arrow dam is built, and, if so, what is the estimated cost of same?

3. With respect to provincial highway bridge crossing the Columbia, west of Revelstoke: (a) what is the bridge seat elevation at the west end? (b) what is the bridge seat elevation at the east end? (c) does the crest elevation of water permit clearance for navigation, floating trees, forest debris, and ice? (d) will reconstruction of this bridge be necessary if the High Arrow dam is built, and, if so, what is the estimated cost of same?

MOTIONS FOR PAPERS

CANADIAN MARCONI COMPANY—FRATERNIZATION PROHIBITION

Motion No. 126—**Mr. Howard:**

For a copy of all correspondence, telegrams, and other documents exchanged between the Department of Northern Affairs and National Resources and Canadian Marconi Company or any other person, organization, or company since August 10, 1960, with respect to persons discharged by Canadian Marconi Company pursuant to the following clause in the contract of employment between

the said Canadian Marconi Company and any of its employees: "Native and Eskimo villages are considered out of bounds and personnel are prohibited from fraternization or association with the native population except in special circumstances. Infringement of these orders is cause for discharge."

Motion agreed to.

CANADIAN MARCONI CONTRACTS WITH NORTHERN AFFAIRS

Motion No. 127—**Mr. Howard:**

For a copy of all current contracts between the Department of Northern Affairs and National Resources and the Canadian Marconi Company.

Motion agreed to.

DISCONTINUED RAILWAY SERVICES

Motion No. 128—**Mr. Deschatelets:**

For a copy of the complete list of all railway services, discontinued in Canada by the Canadian National Railways Company and the Canadian Pacific Railway Company, since July 1, 1957.

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I wonder whether the hon. member would allow this motion to stand.

Mr. Deschatelets: Agreed.

Motion stands.

EXTERNAL AFFAIRS

RED CHINA—REPORTED STATEMENT BY MINISTER OF AGRICULTURE RESPECTING RECOGNITION

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I should like to ask the Acting Prime Minister whether he has any comment to make upon a statement reported to have been made by the Minister of Agriculture in Vancouver yesterday to the effect that perhaps Canada should have recognized the de facto government of red China right from the start; that the Chinese are dedicated people, and that in his grain trade dealing with them recently he had found them most anxious to increase their trade with Canada but would do nothing that would hurt Canadian producers.

Hon. Donald M. Fleming (Minister of Finance): I have not seen the news report in question. Perhaps comment might wait until the return to the house of the Minister of Agriculture.

LABOUR CONDITIONS

MARITIME PROVINCES—REQUEST FOR INTERVENTION BY MINISTER IN SHIPYARD STRIKES

On the orders of the day:

Mr. Hazen Argue (Assiniboia): I wish to direct a question to the Minister of Labour. In view of the fact that workers employed at shipyards at Halifax and Dartmouth, Nova Scotia, and at Saint John, New Brunswick have taken strike action to support their demands for a decent wage, and since the $35 million in federal contracts held by these yards contain a clause guaranteeing the recovery to the employer of the cost of any wage increase, will the minister use his good offices to see that wages in these shipyards, now 30 per cent below those paid on the west coast, are increased and a settlement of the strike secured?

Hon. Michael Starr (Minister of Labour): I received notice of this question on my way into the house. First of all I would point out that each of the disputes mentioned comes under provincial jurisdiction. As to the details of the contracts which these shipyards may have, I must inform the hon. member that I have no knowledge on that score, since this is a matter completely outside my jurisdiction.

Mr. Argue: Perhaps I may put a companion question to the Minister of Defence Production, to whom I sent a copy of my question. Since the government is involved with these contracts, and since the Minister of Labour says this is a matter which comes under provincial jurisdiction, I wonder whether the hon. gentleman will use his good offices to help bring about a settlement.

Hon. Raymond O'Hurley (Minister of Defence Production): We have a clause in our contracts under which we pay any increase in wages, and we shall certainly respect our contracts, but this is a question of collective bargaining. After the collective bargaining is finished we shall respect our contracts.

Mr. Argue: Is the Minister of Labour not prepared to take any part in these discussions whatsoever?

Mr. Starr: It has always been the policy of the Department of Labour not to interfere with provincial jurisdiction.

TRADE

GRAIN—RATE OF INTEREST ON CHINESE BALANCES

On the orders of the day:

Mr. G. J. McIlraith (Ottawa West): I should like to direct a question to the Minister of Finance in the absence of the Minister of Agriculture, and ask him if he is able to advise the house as to the rate of interest being charged on credit balances in connection with the wheat trade agreement with communist China.

Hon. Donald M. Fleming (Minister of Finance): When that situation arises the rate will be established, but I think further comment might await the return of the Minister of Agriculture.

Inquiries of the Ministry

Mr. McIlraith: A supplementary question. I do not want to comment on the continued absence of the Minister of Agriculture—

An hon. Member: Selling wheat.

Mr. McIlraith: —but we were not able to get information from him, and now he is not here. In the Winnipeg *Free Press* of May 13—

Some hon. Members: Question.

Mr. McIlraith: —there is a report of a statement by the chairman of the wheat board saying that the interest rate is 5½ per cent. My recollection is that the Minister of Agriculture was unable to give us that information in the house. Can the Minister of Finance find out what the rate is?

Mr. Fleming (Eglinton): I have not seen the news article in question. I doubt if it is an urgent matter, in view of the fact that the report is now four days old, but at the proper time information will, without question, be made available to parliament.

Mr. McIlraith: I should like to ask the Acting Minister of Agriculture a related question. Can he provide the answer to the question I asked the Minister of Agriculture a week ago today as to the rate of exchange used in giving his estimate of the total value of this contract? The minister had taken this question as notice.

Hon. D. S. Harkness (Acting Minister of Agriculture): The Minister of Agriculture will be back shortly and I will bring this matter to his attention.

TEXTILES—REQUEST FOR REPORT ON LONDON MEETING

On the orders of the day:

Mr. Lucien Cardin (Richelieu-Vercheres): I should like to direct a question to the Minister of Finance. Can the minister report on the international textile conference being held in London and at which I understand Canada is represented?

Hon. Donald M. Fleming (Minister of Finance): The conference is not concluded. It was to begin on Monday morning and to continue on the 16th and 17th. When the conference has been concluded and the Canadian representatives have made their report I will be pleased to make a report to the house.

Mr. Cardin: Would the minister tell the house how many countries are represented at this conference?

Mr. Fleming (Eglinton): As I indicated in my statement on this matter last week, it is a tripartite conference. The countries participating in the conference are the United Kingdom, the United States of America and Canada.

Mr. Chevrier: Who is representing Canada?

Mr. Fleming (Eglinton): I indicated last week that this is a conference at the official level. Canada is represented by senior officials drawn from the various departments concerned, and the leader of the Canadian delegation is Mr. S. S. Reisman of the Department of Finance.

HOUSING

INQUIRY AS TO PROGRESS OF CURRENT PROGRAM

On the orders of the day:

Mr. Frank McGee (York-Scarborough): I should like to ask the Minister of Public Works whether he could give the house an up to date report on the progress of the housing program.

Some hon. Members: Oh, no.

Mr. Speaker: Order. Questions of such scope are not ordinarily accepted on orders of the day.

Mr. McGee: I should like to say a word on the point of order you have raised, Mr. Speaker. If my memory serves me correctly, with great respect, a long series of such questions were asked by the opposition when housing starts were declining. These questions were entertained and answered at that time.

Mr. Speaker: I may have prejudged the issue, but if it is a general report on the condition of house building under the National Housing Act I should think it is definitely too broad in scope for submission as a question on orders of the day. If it is a question capable of a brief answer, and of current importance, that would be a different matter, but what the hon. member has said has not convinced me.

N.H.A.—REQUEST FOR LOWERING OF INTEREST RATE

On the orders of the day:

Mr. J. R. Garland (Nipissing): Mr. Speaker, I should like to ask a question of the Acting Prime Minister. Will the government now give consideration to lowering the National Housing Act interest rate from 6¾ per cent to a level more comparable to the 5½ per cent interest rate being extended to red China, as has been announced by the chairman of the wheat board?

Hon. Donald M. Fleming (Acting Prime Minister): Mr. Speaker, I really cannot comment on a news report on which apparently

the latter part of that question is based, and I do not think it is appropriate to base a question on this matter which has already been the subject of a question in this house. So far as the two rates are concerned, they are based, and always have been based, on entirely different considerations. The one is a rate applicable to house building under the National Housing Act, and the other is a rate established by the banks of this country in relation to their advances to the Canadian wheat board. The factors the hon. member has chosen to bring into his question this morning present no basis of comparison.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, a supplementary question. I should like to ask the Minister of Finance whether he thinks it is appropriate for the chairman of the wheat board to give information to the public which ministers refuse to give in this house.

Mr. Speaker: Order.

Mr. Fleming (Eglinton): Mr. Speaker, there has been no refusal on the part of ministers to give—

Some hon. Members: Oh, oh.

Mr. Fleming (Eglinton): —information to the house that is appropriate to be given to the house, or to be asked for on orders of the day.

I draw attention again to the fact that the last question is based on a newspaper report. I have not seen the newspaper report and I do not propose to make any comments on it or base any answer on it, until I have seen the report and have had the opportunity of verifying it.

Mr. Hellyer: Tell us what the rate is.

Mr. Chevrier: What is the rate?

N.H.A.—INQUIRY AS TO STARTS AND COMPLETIONS

On the orders of the day:

Mr. R. M. T. McDonald (Hamilton South): Mr. Speaker, I should like to direct a question to the Minister of Public Works. Could the minister please inform the house as to the number of housing starts and completions under the National Housing Act this year?

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

Mr. Speaker: Order.

Mr. Pickersgill: Mr. Speaker, I rise on a point of order with respect to the question asked by the hon. gentleman. He has asked for the number of housing starts for the whole of this year. Surely that is not a matter that has urgently arisen since yesterday, and, therefore, should not be the subject of a question, as the Minister of Finance so vehemently pointed out just a few minutes ago.

Mr. Argue: Mr. Speaker, on the point of order—

Mr. Speaker: Order.

Mr. Argue: Mr. Speaker, on the point of order, I suggest that if it is in order to ask questions when housing starts have been fewer, it should also be in order to ask questions even though housing starts may have increased. Some hon. members may not wish to hear that housing starts have increased, but I would be pleased to hear such a reply.

Mr. Speaker: Order. That question is quite different from the earlier question which was asked. Although it might be objected to by the minister on the ground that it is asking for statistical information and should therefore be more appropriately put on the order paper, if the minister does not take that objection I see no reason why the question should not be answered.

Hon. D. J. Walker (Minister of Public Works): Mr. Speaker, I should like to thank the leader of the C.C.F. group for his question, and reply that N.H.A. loan approvals in April for 6,252 dwellings were nearly four times as many as the 1,611 reported for April, 1960. Of the 6,252 approvals, the life, trust and loan companies accounted for 4,117 dwellings, the banks for 3, and Central Mortgage and Housing Corporation for 2,132. During the four month period there were loans for 18,599 dwellings, an increase of 443.8 per cent above the 3,413 for the same period in 1960. Actual starts for the first four months of 1961 at 20,559 were up 47.5 per cent over the 13,940 reported for the same period last year.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, would the minister comment on the fact that construction contracts for other than housing during the first four months of this year are 24 per cent below those for the first four months of 1960?

Mr. Walker: Mr. Speaker, such construction is a matter which is in the hands of free, private enterprise. I am only concerned with reporting to the house for the department of which I have the honour to be the minister.

Mr. J. R. Garland (Nipissing): Mr. Speaker, I wonder whether the minister would be kind enough to give us the number of completions this year to date compared with the number of completions to the same date last year.

Mr. Pickersgill: He does not know the answer to that.

Mr. Walker: I will be very happy to get that information for the hon. member.

Hon. Paul Hellyer (Trinity): I have a further supplementary question. Could the Minister of Public Works tell the house how many thousands of completed houses are unsold?

Mr. Walker: Mr. Speaker, the number is less than might be expected under all circumstances and, as a matter of fact, is less than two weeks supply. I can get the exact number for my hon. friend, but in view of the great impetus to housing the number is remarkably small.

Mr. McIlraith: It is a matter of interpretation of the facts.

FISHERIES

NOVA SCOTIA—PROTESTS RESPECTING SALMON FISHING REGULATIONS

On the orders of the day:

Mr. Robert Muir (Cape Breton North and Victoria): Mr. Speaker, I have a question for the Minister of Fisheries. Is the minister aware of the protests being made by the commercial salmon fishermen of Nova Scotia and in particular of Cape Breton regarding the severe regulations which are being imposed this year, particularly on those fishermen who operate salmon traps in exposed areas off the coast?

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, I want to thank the hon. member for giving me notice of his intention to ask this question. I am aware of the views of the commercial fishermen in the areas referred to by the hon. member. I should like to point out, however, that in the exposed areas referred to no weekly lift period is imposed as in other areas. I have been trying to find an equitable solution to the problem.

Hon. members are no doubt aware that, working with the provincial administrations concerned which have an interest in the Atlantic salmon fishery, chiefly from the sports fishing point of view, the department has been attempting for a number of years to get agreement on uniform regulations. There is no question but that stringent conservation regulations are needed on both the angling and commercial fishermen in the whole of the Atlantic coast areas in order to assist in our attempt to rehabilitate the runs of Atlantic salmon. Unfortunately, however, achieving the desired degree of uniformity has not yet been possible.

[Mr. Garland.]

Mr. R. S. MacLellan (Inverness-Richmond): I should like to ask a supplementary question. Would the Minister of Fisheries tell us what action he has taken to meet the protests of the commercial fishermen of Nova Scotia regarding the change in the regulations this year?

Mr. MacLean (Queens): Mr. Speaker, when it became evident that these particular commercial fishermen in Nova Scotia were being faced with what they felt were severe restrictions, I immediately took up the problem with the appropriate authorities of the government of Nova Scotia. I regret to say, however, that I have been unsuccessful in persuading these authorities to change their strong recommendations regarding the regulations which, in their view, should be imposed on the commercial fishermen of Nova Scotia. I suggested to the appropriate Nova Scotia government authorities that their recommendations for such restrictive regulations should not be implemented all in one season but rather in stages. Because of the strong views of the province that there was urgent and immediate need for restrictive measures, I have been unable so far to obtain agreement to my suggestions.

[*Later:*]

Mr. Clement O'Leary (Antigonish-Guysborough): Mr. Speaker, I wish to direct a question to the Minister of Fisheries. Who has the final responsibility for the regulations covering commercial salmon fishing in Nova Scotia, the Minister of Fisheries or the province of Nova Scotia?

Mr. MacLean (Queens): Mr. Speaker, the regulations are passed by federal order in council, but we attempt to co-operate with the provinces concerned in an effort to make the regulations uniform throughout the Atlantic provinces.

[*Later:*]

Mr. MacLean (Queens): Mr. Speaker, may I be permitted to clarify my reply to the question asked by the hon. member for Antigonish-Guysborough. I wish to add that the federal government attempts to co-operate with the provinces by passing regulations that are in conformity with the provincial recommendations where the provinces have a special interest in a given type of fishery.

Hon. J. W. Pickersgill (Bonavista-Twillingate): A supplementary question, Mr. Speaker. Is there any doubt that the federal authorities have the ultimate jurisdiction in this matter?

Mr. MacLean (Queens): No, Mr. Speaker.

DEFENCE PRODUCTION

ATHOLVILLE, N.B.—INVITATIONS TO INAUGURATION OF NEW PROJECT

On the orders of the day:

Hon. Lionel Chevrier (Laurier): I should like to direct a question to the Minister of Defence Production. Has the minister sent out invitations to the inauguration of a new defence industry at Atholville, New Brunswick, which is to take place tomorrow?

Hon. Raymond O'Hurley (Minister of Defence Production): Mr. Speaker, there is a ceremony tomorrow involving the blessing of the building or the inauguration of the project. I have had absolutely nothing to do with the sending out of invitations, and the only knowledge I have is that I will be taking part.

Mr. Chevrier: Is the minister aware that invitations to the official opening have been sent out in his name?

Mr. O'Hurley: I am not aware that they are in my name. I know I will be attending, but I was not aware of invitations being sent out in my name.

Hon. J. W. Pickersgill (Bonavista-Twillingate): I should like to ask a supplementary question. Is the minister aware that on May 12 there was a ceremony involving turning the sod on provincial land for the building which is being constructed by the provincial government to house this industry, and can the minister say why he was not there?

Mr. O'Hurley: I hope the hon. member for Bonavista-Twillingate does not mean to imply that I sent out those invitations also.

Mr. Pickersgill: No. I thought the minister would have liked to be there with the premier of New Brunswick.

Mr. Speaker: Order. I think the urgency of that meeting is in the past.

PARLIAMENT HILL

WEST BLOCK—SUGGESTED CHANGE IN COLOUR OF TEMPORARY WALL

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to address a question to the Minister of Public Works. In order to preserve as far as possible the external beauty and harmony of parliament hill during the reconstruction of the west block, would the minister give consideration to changing the colour of the temporary wall around the west block from the present interior public works grey to an external and harmonious green?

Inquiries of the Ministry

Hon. D. J. Walker (Minister of Public Works): Mr. Speaker, is the hon. member for Kootenay West suggesting that green is the colour of the New party? We considered making it blue, but we thought we might be suspect so we decided on a nice, quiet grey which would not show dust or debris.

STATEMENT CONCERNING UNITED STATES FLAGS FLOWN

On the orders of the day:

Hon. D. J. Walker (Minister of Public Works): Mr. Speaker, in reply to the hon. member for Skeena who questioned me yesterday as to whether my department was derelict in flying the United States flag on parliament hill with only 48 stars, may I say that I have long suspected that on occasion in this house the hon. member must see stars, but I had no idea that he ever found a dearth of them. As a matter of fact we recruited a squad of stargazers who went out and counted the number of stars on the flags on parliament hill. The hon. member for Bonavista-Twillingate will be glad to hear that on each of the old glories everywhere on parliament hill there are 50 stars. However, to express the enthusiasm which we all feel for the presidential visit, we have flying throughout the city of Ottawa many old glories, old and new, containing 48, 49 and 50 stars. To relieve the anxiety of the hon. member may I say I am informed by the United States authorities that the official United States flag can contain 48, 49 or 50 stars. I hope that answers the question.

Mr. Hellyer: A supplementary question, Mr. Speaker. Can the minister say whether any of them have 51 stars?

UNEMPLOYMENT INSURANCE

WITHHOLDING OF BENEFITS DUE TO ABSENCE FROM AREA

On the orders of the day:

Miss Judy V. LaMarsh (Niagara Falls): Mr. Speaker, I wish to direct a question to the Minister of Labour. Has the minister received information to the effect that at least four members of the delegation of the unemployed who visited Ottawa last month and therefore had their unemployment insurance benefits cut for that day have appealed this ruling to a board of referees?

Hon. Michael Starr (Minister of Labour): That is right.

Miss LaMarsh: Can the minister assure the house that when the decision of the board of referees is handed down it will apply to all those who lost their daily benefit and not merely to the four who appealed?

Mr. Starr: Mr. Speaker, I cannot say at this time what the judgment of the unemployment insurance commission may be in respect to this matter.

PUBLIC SERVICE

HECTOR MCKINNON—INQUIRY AS TO EMPLOYMENT

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I should like to ask the Minister of Finance if Mr. Hector McKinnon is acting for the government in any capacity at the present time and, if so, what capacity?

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, I thought it was well known that Mr. Hector McKinnon is the leader of the Canadian delegation to the negotiating conference under GATT auspices at Geneva, and has been acting as such from the outset of that conference. He has been in Geneva for something like eight months and is, of course, continuing in that capacity.

CANADIAN NATIONAL RAILWAYS ACT

AMENDMENT INCREASING NUMBER OF DIRECTORS

The house resumed from Tuesday, May 16, consideration of the motion of the Minister of Transport (Mr. Balcer) for the second reading of Bill No. C-94 to amend the Canadian National Railways Act.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, when the business of the house was interrupted at five o'clock yesterday afternoon I was in the midst of a speech on this very important bill. Since some question arose last evening about the respective importance of this bill and another measure that was before the house forecasting a bill I wish to make it abundantly clear that I regard this bill as of very little importance at all, and so do we on this side of the house. We think it is highly inappropriate to be concerning ourselves about changing the number of directors of the Canadian National Railways when there are so many important and urgent problems before this country.

An hon. Member: Let us pass it, then.

Mr. Pickersgill: An hon. member says "Let us pass it". We do not think even the waste of this money is justified at this time. That is the reason we do not want to pass it. We do not think this parliament should be asked to engage in further expenditures of public money at a time when we have deficits that are more nearly astronomical than anything this country has ever known before in peacetime, and that are rapidly exceeding those we had in world war II. When the unemployment insurance fund is bankrupt, when the government has not brought down—

Mr. Speaker: Order. The hon. member's line of argument seems to be taking quite a different turn from that suggested by the subject matter of the bill. It would not be appropriate to debate the many matters which might be of importance simply to illustrate the point that this bill is not important.

Mr. Pickersgill: I am really rather astonished at the observations of Your Honour, which I do not take to be a ruling. I have been a member of this house for eight years and have witnessed its activities since 1938. I have never before heard it suggested that an hon. member cannot say that one of the principal objections to a bill is that it is taking up the time of parliament when other much more important matters should be engaging the attention of parliament.

Having made that point I was simply citing —and I was not going to debate any of them —some of the important matters that ought to be before us rather than this measure, matters that should be proceeded with, particularly in view of the fact that on April 24 this house decided, over some opposition, to sit exceptionally long hours to consider the important and urgent business of the country.

This is a sample of the kind of important and urgent business that Her Majesty's advisers bring before us, this bill to raise the number of directors from seven to 12, another stopgap measure such as the one we debated before this and the horse racing bill that we had earlier this week. The only matter of any consequence that we have had in this house up to noon on Wednesday is the war veterans allowance measure, on which there was unanimity and which could have been disposed of and sent to the committee by now if Her Majesty's advisers had had some important business to bring before us, which they had not. That is our complaint.

Mr. Churchill: Nonsense. May I ask the hon. gentleman a question?

Mr. Pickersgill: Certainly.

Mr. Churchill: Why is he so anxious to terminate the debate on an important measure like one to amend the War Veterans Allowance Act?

Mr. Pickersgill: I am not anxious to terminate debate on that measure at all. However, it seems to me that congratulatory speeches about the Minister of Veterans Affairs, one after another, are not debate.

Mr. Jones: On a point of order—

Mr. Speaker: Is the hon. member for Saskatoon and parliamentary secretary rising on a point of order?

Mr. Jones: Yes, Mr. Speaker; I am rising on a point of order. The hon. member for Bonavista-Twillingate has made an accusation that the speeches that were made last night in this house on war veterans allowances were a series of repetitions.

Mr. Speaker: Order. If the hon. member would indicate what his point of order is, he might then substantiate it.

Mr. Jones: I am trying to reach this matter, Mr. Speaker, perhaps on a question of privilege. I think it is a matter of privilege. I listened very closely to the speeches that were made. If I may, I should like to lay the foundation—

Mr. Speaker: So far the parliamentary secretary is only contradicting what was said. What he has said so far indicates no point of order or matter of privilege, to my mind.

Mr. Jones: If I may do so, I should like to state briefly the matter of privilege.

Mr. Hellyer: A moment ago it was a point of order.

Mr. Jones: The question of privilege is simply this. The statement made by the hon. member for Bonavista-Twillingate was quite wrong and cast a reflection on all members of this house. The speeches they made were very thoughtful speeches on this particular subject.

An hon. Member: They were not congratulatory speeches at all.

Mr. Speaker: I think the aspersion cast on the members of the house was not severe enough to make it a matter of privilege.

Mr. Pickersgill: As a matter of fact, Mr. Speaker, I did not mention any member of the house at all. I made one simple statement. I said that speeches of congratulation to the Minister of Veterans Affairs were not debate. That is all I said. I did not refer to any member of the house. I merely made a simple statement that speeches of that character were not debate. I think Your Honour could not disagree with that statement. However, it is quite irrelevant, and I made it in answer to an irrelevant question asked by the house leader. I would not have thought of making it had it not been for the house leader's interruption.

If I might be permitted to proceed to discuss the measure before the house, Mr. Speaker, it seems to me that we could make more progress, though hon. gentlemen do not seem to wish to have it.

Mr. Jones: Will the hon. member permit a question?

Mr. Pickersgill: Certainly.

Mr. Jones: In view of the remarks he has made to the effect that these matters that have come before the house in the last day or two are of such little importance, is he able to explain to us why the hon. member for Laurier made no less than 40 interjections, including three speeches, in one day and the hon. member for Bonavista-Twillingate approximately 29 or 30 in one day?

Mr. Pickersgill: I have no trouble at all in answering that question. That is precisely why I am speaking on this matter. The hon. member for Laurier on the previous bill was protesting that the government did not bring in a solution to the problem but brought back the same old stopgap. We as an opposition are trying to do what we have a right and a duty to do. We are trying to draw attention to the fact that, ever since the by-election campaign started, the government has ceased to do the public business.

Some hon. Members: Oh, oh.

Mr. Pickersgill: They are afraid to bring any contentious matter before this house.

Some hon. Members: Oh, oh.

Mr. Speaker: Order. The time for discussion of the order of the business of the house has expired. If the hon. member pursues the course he is following, other hon. members will be entitled to take the same course and the bill will not be referred to.

Mr. Chevrier: The hon. member was answering a question.

Mr. Speaker: I suggest that we return to the principle of the bill, which is to increase the number of directors of the C.N.R. from seven to 12.

Mr. Pickersgill: That is what I have been seeking to do ever since I rose in my place, Mr. Speaker, and I have been diverted from doing so by hon. gentlemen opposite.

Some hon. Members: Oh, oh.

Mr. Pickersgill: The reason I rose last evening was to draw attention to the fact that no argument had been made by the Minister of Transport, who seems to be rather a spectator as far as this debate is concerned. I am not criticizing the Minister of Transport on that account.

Mr. Balcer: I have never been so bored in all my life.

Mr. Pickersgill: Before the Minister of Transport made his interjection I was going

to say that the Minister of Transport generally sets an example to the hon. gentlemen opposite that would improve the decorum of the house if they followed it.

Mr. Speaker: Order. I do not know whether it is because of influences external to the house, but there seems to be a general desire for all members to talk at once this morning. We shall not make any progress on that basis. I ask for their co-operation in restraining their comments until they get the floor.

Mr. Pickersgill: I rose yesterday, Mr. Speaker to take issue with me the only solid argument, if you can call it that, which has been made in favour of this bill. I refer to the argument made by the hon. member for Vancouver South. The hon. gentleman was in his place earlier. We know there are good reasons why the hon. gentleman may not be in the house, and I do not want to allude to them. I certainly do not want to say anything that would be in any way a reflection on that hon. gentleman, particularly in the circumstances in which he finds himself at the present time and about which we all feel great sympathy.

However, I am obliged to take issue with his argument, and it is only with his argument that I am seeking to take issue. He made an argument and I should like to read it, because yesterday he said that I had been unfair to him. I do not wish to be unfair to the hon. gentleman in any circumstance, and I am deeply anxious not to be unfair to him in the present circumstance. I should therefore like to read what he said. As will be found at page 4906 of *Hansard* he said:

> Mr. Speaker, before I answer some of the statements made by the hon. member for Laurier (Mr. Chevrier) I should like to say this to the hon. member for Levis (Mr. Bourget) who stated so emphatically that he tried to find one argument for increasing the number of directors but could not find one valid one. If he would compare the operating statements of the C.P.R. and the C.N.R. over the past few years, he might find a few arguments. He might find an argument in the fact that the C.N.R. deficits over 1960 and 1959 were $110 million which were paid for by the taxpayers whereas in the same two years the C.P.R. contributed $53 million in the form of corporation tax payments. If you have a business operation and are not too successful and if you have very successful competitors, the wise businessman takes a look at the practice of his competitors and is not afraid to copy any of the practices which he feels may be of advantage to him.

In reply to that observation, as found at page 4908 of *Hansard* I said this:

> The hon. member has advanced one reason why we should be in favour of this bill, and I think that reason should be given somewhat more emphasis than he placed upon it. He said we should appoint five more directors to the board of the C.N.R. in order to end the deficit.

[Mr. Pickersgill.]

Perhaps that is a somewhat exaggerated way of putting what the hon. gentleman said. However, if we just leave the two statements side by side I think most people would come to the conclusion that what the hon. gentleman was saying was that if we increased the number of directors of the C.N.R. there would be a greater prospect that the C.N.R. would not have a deficit, and that it would be in a position similar to that of the C.P.R. If his argument did not mean that I do not think it meant anything; and I think it was intended to mean something. I just wanted to make it very, very clear that I had grounds for what I said; that I was not being unfair to the hon. gentleman in that matter.

The hon. gentleman also took some exception to another statement I made. I should like to clear that up also because again, as I say, I do not want to be unfair to the hon. gentleman. He took some exception to my drawing this conclusion from his observations in the committee stage when I said yesterday:

> So that even though the high minded member from Vancouver South said British Columbia does not need a director he finds his colleagues from Alberta rising at once to say that if there are to be any more directors we should have one from Alberta.

I did not mean to imply—and if I did the hon. gentleman any injustice I want to repair it at once—that the hon. gentleman said specifically that there should be no director from British Columbia. He did not say that. If I gave the impression in my words that he did say it specifically, I apologize. But the general language he did use was, "Take the best men wherever you can find them. Do not pay any attention to these considerations of geography other than broadly regional considerations".

That, of course, is the position the previous government took. That is the position that prevails at the present time with seven directors. When the hon. member for Vancouver South made his argument he was seeking to refute an argument that was made by the hon. member for Laurier, an argument that I do not think can be successfully refuted; the argument that if we have 12 directors the appointments will have to be not on a broadly regional basis but in fact, owing to all the practices which there have always been, no matter who was in office in this country, there will have to be a representative from every province or there will be a great deal of complaint from any province that is excluded.

To illustrate my point yesterday—and I repeat this because the argument does not seem to have been appreciated and perhaps repetition in that case is excusable to make the argument abundantly clear—I recalled that hon. gentlemen in 1957 campaigned against us in one of the provinces of this

country because the Liberal cabinet did not contain a minister from that province. I suggested that if that province was ignored when these extra five directors were appointed, there would be a storm from the province, particularly as that province is as much concerned with the operations of the Canadian National Railways—which is the only railway in that province; it is one of the two provinces where the C.P.R. does not operate—as any other province except one, and the other one is of course Newfoundland.

I am quite sure that if there are to be 12 directors and there is no director chosen from Newfoundland, that will not be very well viewed in that province. I am quite sure this will be true of every province. At least three voices have been raised from the province of Alberta already to put in a claim for a director from that province.

What my hon. friend from Laurier said is quite true. I am not saying there would be anything essentially or necessarily wrong with having a director from every province, but we have had a great deal of experience with Canadian National Railways over the years, and there does seem to have been for a long period now, under two governments—for four years under the present government—a view that with seven directors the broad regional aspects of the country have been reasonably represented.

As my hon. friend from Laurier said, this does seem to be an odd time to be changing that policy, when there are so many really urgent things that need to be done. I think we have reasonable ground for expressing disquietude about the reasons given by hon. gentlemen opposite. I exclude the minister from that, but I refer to the minister's friends in their support of this bill. They are not really supporting it because they want five more directors. They rise to support it and spend all their time attacking the present management of the Canadian National Railways. If they want to attack the management of the Canadian National Railways, that is their business; but I might point out that the former minister of transport (Mr. Hees) said over and over again that he was completely satisfied with the present management of the Canadian National Railways and with the present situation with regard to the board of directors.

The present minister has never said a word in criticism of the management since he became Minister of Transport or since he became a minister. I believe my hon. friend from Laurier did say yesterday—I have not the reference here—that the minister may have been critical of the Canadian National Railways when he was sitting over here, but I am not attempting to dredge that matter up at all. The minister has been in office for some months now, and I have never heard one word pass his lips in criticism of the management of the railways. Indeed, it seems to me that on one or two occasions he has ascribed to the management of the railways responsibilities which are not theirs at all. However, that would introduce a separate topic, which I do not seek to do because I find within the scope of this bill plenty of things to say without going outside it.

I say that if the purpose of this bill is to undermine the management of the C.N.R., we should not be considering it at all. If the government are not satisfied with the management of the C.N.R. they should change it; they should not seek by this kind of device to undermine it. That is no way to run any kind of business. I think it is about time the government did make a firm statement, in view of the things that have been said by hon. gentlemen opposite, about what they do intend to do with the management of the Canadian National Railways.

Is the purpose of this bill to introduce five directors who will harass the management; who will undermine the management of the railways; who will act, if you like, as spies for hon. gentlemen over there? Is that the purpose of it? That seemed to be implied in some of the things we have heard about this bill. I suspect, having regard to the kind of appointments this government has made to far too many boards and commissions since it came into office, that this bill has an entirely different purpose. I suspect, as I said yesterday—

Mr. Macdonnell: Mr. Speaker, would the hon. gentleman permit a question?

Mr. Pickersgill: Certainly.

Mr. Macdonnell: Might I ask the hon. gentleman how long he thinks it is necessary to talk to prove that this bill is utterly irrelevant and that we should not be dealing with it at all? I am interested in the length of time he feels it necessary to talk on this matter.

Mr. Pickersgill: The hon. gentleman has a good point. The hon. gentleman is suggesting that I should not emulate his colleague the Minister of Finance and use a sledgehammer to drive home a tack. I think he is right, and I do not think I will be spending very much more time on this topic. However, I was in the middle of a point yesterday which I would have made in two minutes had I had the two minutes and had I not ceded them to the hon. member for Vancouver South so he could take exception to something I said.

My point is this. I suspect, having regard to the precedents of the last four years, the

kind of appointments the government is going to make. There is going to be a request for an appointment from Prince Edward Island, as I said yesterday, and I suspect that the defeated candidate in Kings will be the appointee from Prince Edward Island.

Some hon. Members: Oh, oh.

Mr. Pickersgill: I suspect that the defeated candidate in Esquimalt-Saanich—and I mean the defeated Tory candidate—will be the director from British Columbia. I suspect that the discarded provincial cabinet minister who is now seeking election as a Conservative candidate in Restigouche-Madawaska will end up on the board of the C.N.R.

Some hon. Members: Oh, oh.

Mr. Pickersgill: No doubt—

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

Mr. Pickersgill: I am in the middle of making a speech, which the hon. member for Greenwood wants to be short. I suspect the defeated Conservative candidate in Leeds, unless they prefer the defeated one in Peterborough or the defeated one in Niagara Falls, will be appointed from Ontario. Then if they are looking for a candidate from Quebec to keep a proper balance there is always, of course, the defeated candidate in Labelle.

So there will be no need, once this bill is forced through the house, by the majority, as I have no doubt it will be, to worry about the government making these appointments by the first of June. They will not have to wait, as they did in connection with the royal commission on medical care, for six or eight months though it was very urgent last December, we recall. They will not have to postpone it in the way everything else has been postponed, because on this occasion the opposition has made suggestions, which they complain we do not make, as to how this problem of theirs which they are going to create with this bill may be solved. I have made these suggestions perhaps half in jest, but only half; and if those precise appointments are not made, I suggest the appointments—there are only five—will be roughly of that character.

Mr. C. S. Smallwood (Battle River-Camrose): I wish to speak on this bill. I do not wish to take too much time, but I should like to answer some of the childish accusations which have been made by that party of gloom and despair.

I would draw to your attention, Mr. Speaker, that the hon. member for Laurier and the hon. member for Hull said the appointment of these five new directors was decided upon in order to give Conservative candidates jobs. Yesterday the hon. member for Bonavista-Twillingate talked about ward heeling. The hon. member for Laurier is afraid of political interference. I do not think people in glass houses should throw stones. When those people were in power for 22 years they built up an empire like Caesar had in Rome. Now they do not like to see it falling. They filled these corporations, they filled the C.N.R., with Liberal dead heels.

Now we want to put on five good, solid businessmen to bring this company out of a deficit position. I do not think it is right that we should be paying the top director $75,000 to run the corporation. We have to get some good businessmen on this corporation to see whether they can reduce this deficit which the Canadian people are paying. I congratulate the minister and his department for seeing that these appointments are brought forward at the earliest possible date.

Mr. J. R. Keays (Iles-de-la-Madeleine): I listened with great interest to the hon. member for Bonavista-Twillingate make his amusing speech. I wonder if he has the same problems with the C.N.R. in his riding that I have in mine?

Mr. Pickersgill: Is the C.N.R. in your riding?

Mr. Keays: No. I noted that this morning the hon. member spent most of his time correcting statements he made yesterday, or conveying a different impression from the statements he made earlier. I know he calls this a threadbare bill and says it is of no importance. I am wondering whether that is just because the bill consists of only a few words asking parliament to approve an increase in the number of directors from seven to 12.

He succeeded, however, in his last few words in telling us why the official opposition are against this bill. It seems he is worried that the nominations which will be made may not be very popular with the thinking of his party. But throughout all the speeches made by the opposition no one seems to have wished to speak about the real need for increasing the number of directors on the board. Hon. members opposite seem to think that the political question is much more important than the financial problems which this corporation is facing.

It is true that many members of this house have attacked the present administration of the C.N.R., and perhaps rightly so. This is possibly one of the reasons the C.N.R. has moved ahead and reorganized its system into operating zones where the superintendents of these zones have more leeway in taking

decisions, and this alone should prove that the C.N.R. is willing to endeavour to better the financial situation of the company.

However, this in itself is not sufficient; and if the C.N.R. can bring in more directors, people from the world of finance or business, people who are acquainted with the problems which exist in different areas of the country, I am sure this alone will justify an increase in the number of directors. Any director nominated to this board and living in an area where there are special problems would, I am sure, be concerned with the operation of the railway in that area, and would be able to bring up and discuss intelligently at board meetings ways and means of improving the service, of improving the financial situation of the corporation, and of giving to the Canadian people at least the hope that the deficits now being experienced will in time disappear.

That is why I was a little concerned that the official opposition at no time brought in any argument as to why we should increase the number of directors. It is sufficient that these directors should endeavour to look closely at the situation and improve the financial situation of the C.N.R.

It seems that hon. members opposite are worried about regional representation. This is important, but if any person named to this board can contribute one iota of information which would better the situation it is immaterial from which area he comes, providing he does know of the situation and is able to bring his knowledge to the table round which the board will sit. Therefore I trust that this reason alone, the hope that the C.N.R. will be able to cut its deficit and increase the service, either passenger or freight, to all Canadians, is justification for increasing the number of directors from seven to 12.

Mr. W. L. M. Creaghan (Westmorland): Mr. Speaker, the resolution which preceded this bill was on the order paper for a great many weeks. I thought it was very appropriate that the Minister of Transport should have introduced this bill for debate on May 15, the date originally scheduled for a national railway strike. One of the heaviest concentrations of C.N.R. employees exists in my riding; consequently I feel it is my responsibility to make a few remarks regarding this bill, and they will be very brief.

I was a member of the sessional committee which made the recommendation to the government to increase the number on the board of directors, and it is therefore a great satisfaction to me to witness this bill today. I have no quarrel with the suggested size of the increase, although I originally hoped the number might have been in excess of 12. However, 12 does seem to be a sufficient number, and will certainly improve the operation of the railway.

The annual railway report for 1960 indicated, among other things, that responsibility and authority are being decentralized to the regional and area management levels on a geographic basis, as distinct from a departmental basis. I believe that statement in the annual report will clarify and remove any doubt that may have been cast upon the intention of this legislation. As all hon. members know, we now have five regions of the Canadian National Railways in Canada. I have no idea as to the actual residence of the five living directors, but it is my hope and my suggestion to the government that each of the five regions will have two directors, so that as a consequence we will not then have to look upon provincial boundaries but on regions as a whole.

I believe this legislation indicates to the citizens of this country that the government at this time is very dissatisfied with the present management of the Canadian National Railways. I believe that the appointment of Mr. Gordon by the former government, was a mistake. Perhaps the criticism of Mr. Gordon represents the reason that the hon. member for Laurier, when he spoke on Monday, included the following statement in his speech, at page 4843 of *Hansard*:

We on this side of the house will oppose this legislation.

All hon. members know that once this bill is passed and the appointments have been made, the effect will be a tightening of the control and authority of the present general manager. I am of the opinion that so long as he remains president and chairman of the board of directors, the shippers and employees of the railways will never be satisfied. I make that statement without qualification and add that it would be effective even if the Canadian National Railways had a surplus, and even if working conditions had improved and were such that no demands were being made at the present time.

It is my opinion that the present board of directors, and the new and larger board of directors, should be called before the sessional committee on railways, air lines and shipping. I feel it is the responsibility of parliament to ascertain what effect the directors have on policy decisions of the Canadian National Railways. I believe answers should be provided to questions such as who recommends the promotion of senior members of the staff to positions as vice president; do the directors make those decisions, or are they made by one man alone? To what extent did the present board of directors study the huge reorganizational decision and to

what extent does the board of directors supervise the plans before hump yards, presently under construction in Canada, are located and commenced; and I refer particularly to the commencement and construction of the hump yard at Moncton, New Brunswick.

I suggest these are important questions to be answered. They do not only involve management problems but rather policy decisions which result in the spending of hundreds of millions of dollars. I should also like to know the extent to which the board of directors took responsibility for the real estate development that took place last year and is continuing to this date, at Montreal. I should also ask whether that board of directors had the responsibility for the redevelopment at Moncton. As the member of parliament representing that area I welcomed the decision of management to do so, but I wonder about the extent to which the board of directors took part in the planning, leasing, etc.

This bill was the subject of debate on Monday and Tuesday of this week. I hope it will be passed today, and that no time will be lost in passing the required orders in council. I hope at the same time the government, in making the selection of the six new directors, will give serious thought to placing retired C.N.R. employees on this board of directors. I realize that we should have businessmen on the board, however, if working conditions are to improve; and if we are to establish better relations between the public and this crown corporation we must have individuals on the board of directors who know what is wrong. A businessman may have some idea in this regard, as he may be or may become a shipper, but this board of directors must also include retired railway workers who have given a lifetime of service to this crown company.

I have reason to believe that Mr. Gordon is employed at the present time on what can be generally termed as a day to day basis. If I am correct in that belief, perhaps he will agree with my interpretation of this bill; that this is an appropriate time for him to tender his resignation.

Mr. Fisher: Hear, hear.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, if the value of the remarks made by the hon. member for Bonavista-Twillingate is to be measured by the accuracy of that statement which he ascribed to me, then I suggest he might just as well send word up to *Hansard* to have his remarks of this day taken off the record. He suggested in his speech of yesterday, and I think he repeated it today, that I had advocated that if this bill passed, one of the new directors should be appointed from the province of Alberta.

That is not correct. I referred to the region served by the Northern Alberta Railways, and that is an entirely different situation. The Northern Alberta Railways system is a monstrosity created in 1929 by the then Liberal administration. It serves not only the northern half of Alberta, but is the focal point through which freight proceeds from the Northwest Territories into the northeastern part of British Columbia, into the Cariboo district, which is so ably represented by my good friend the hon. member for Cariboo. It now seems possible, if legislation implementing the recommendations of the Manning commission is proceeded with, to have an extension of some 400 miles into the Northwest Territories.

Speaking in regard to representation on a regional basis, I should like to say that I have always felt—particularly with reference to the Canadian National Railways board of directors—there should be regional rather than provincial representation. I related that fact to the recommendations contained in the MacPherson royal commission report, which obviously suggested that the difficulties which the authors of that report had in mind would be vast if there was a measure of change so far as passenger traffic, freight traffic, and diminution of service on a regional basis are concerned.

That was what I had in mind and for that reason I strongly advocate passage of the bill. The railway situation certainly needs attention, and I think that attention might well commence at the top with the administrative processes.

Mr. Pickersgill: If I misinterpreted the hon. member I did so inadvertently and I am quite willing to substitute northern Alberta for Alberta.

Mr. Balcer: Mr. Speaker—

Mr. Deputy Speaker: I must inform the house that if the minister speaks now he will close the debate.

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, all through this debate my hon. friends opposite have said repeatedly that this bill is insignificant, unimportant and useless; that it will not help the C.N.R.; that it is a waste of money, and so on. All I can say is that with all these accusations against the bill I think it is only proper that we should have a look at the background of the legislation and try to find out who were the original dreamers, the insignificant people who first conceived this idea.

I have been looking at the report of proceedings of the sessional committee where

this matter was discussed. First of all, the great proponent at that time of an increase in the number of directors was none other than the deskmate of the hon. member for Bonavista-Twillingate, the hon. member for Kenora-Rainy River (Mr. Benidickson). We all know that the committee unanimously recommended that the government should bring in such a bill which is now called insignificant, unimportant and so on by hon. members across the floor. Among those members who voted for this recommendation in that committee were the hon. member for Port Arthur, the hon. member for Kenora-Rainy River, the hon. member for Lapointe, the hon. member for Burin-Burgeo and the hon. member for Fort William.

I do not agree with the hon. member for Bonavista-Twillingate that this bill does not mean anything. He got up to speak about 20 times on the bill. I would not say that he has made three major speeches—

Mr. Pickersgill: Nor would I.

Mr. Balcer: —but he has certainly made three lengthy speeches in which he has said that this measure is unimportant and so on. I must admit that I am somewhat at a loss in trying to understand his attitude as to the importance of various matters that are brought before the house. Only last week we brought forward a matter of such importance as a brand new shipping policy that will provide a lot of work for Canadians but we have not heard from him about it. Yet he finds the time to make three speeches on this bill which he calls unimportant and insignificant.

I will not pretend that the fact that we are increasing the number of directors of the C.N.R. will settle all the problems of the railway. Of course not. But I must say that I certainly fail to find any sense in the argument of the hon. member for Laurier when he says that we should not take this step because there is unemployment in Canada and because the C.N.R. has a deficit. I think precisely the opposite view should move the house to support the bill, because the C.N.R. is extremely important business. It has an operating revenue of about $700 million, and the management has to make tremendously important policy decisions which mean a lot to the future of this national railway. I think that to strengthen the board with good Canadians who will have at heart the welfare and improvement of our national railway is a move in the right direction.

As I said in my opening remarks on the bill, if one looks at the United States railways one will see that the largest and most important ones, which are all smaller than the C.N.R., have boards of directors with memberships ranging between 15 and 25, and our own Canadian Pacific Railway has 24 directors. An argument was made by the hon. member for Kenora-Rainy River both in the house and in the committee as to the importance of an organization like the C.N.R. having as directors good businessmen who will bring traffic to the line and who will bring to the board as directors their experience as successful Canadians in their various fields of endeavour. I think this is all to the good. In my view this move will really help the C.N.R. and it will be money well spent.

I know my hon. friends across the floor during this debate have taken an attitude that is not very commendable in saying that because these people are going to be paid, this is money wasted when there is unemployment at the present time and some Canadians are suffering. I sincerely believe that this is no argument at all, because what we are recommending is the strengthening of one of the largest enterprises of the Canadian government.

Canadian National Railways is a tremendous public undertaking. The government has the responsibility for this railway. It must see that the railway is well managed and that management has the proper support and the tools with which it can do a good job. By doing what we are doing today I think we are helping the C.N.R. We will bring to the board of directors great Canadians. When we look at the people who have served on the board in the past I think we can have confidence that we will have great Canadians as directors who will bring to the C.N.R. their vast experience, their Canadianism and the will to render a great service to the Canadian public.

The house divided on the motion (Mr. Balcer) which was agreed to on the following division:

YEAS

Messrs:

Aitken, Miss	Cathers
Allard	Chambers
Anderson	Charlton
Argue	Chown
Balcer	Churchill
Barrington	Clancy
Baskin	Comtois
Beech	Cooper
Bell (Carleton)	Creaghan
Best	Crouse
Brassard (Chicoutimi)	Danforth
Browne (St. John's West)	Doucett
Browne (Vancouver-Kingsway)	Dubois
	English
Brunsden	Fairclough, Mrs.
Cadieu	Fairfield
Campbell (Lambton-Kent)	Fane
	Fisher
Campbell (Stormont)	Flemming (Royal)
Cardiff	Forbes

Division

Fortin
Grafftey
Grenier
Grills
Gundlock
Hales
Halpenny
Henderson
Herridge
Hicks
Hodgson
Horner (Acadia)
Horner (Jasper-Edson)
Howard
Howe
Jones
Jorgenson
Jung
Keays
Kennedy
Kindt
Knowles
Korchinski
Kucherepa
Lambert
Latour
Lennard
Letourneau
Macdonnell
MacEwan
MacLean (Queens)
MacLean (Winnipeg North Centre)
MacLellan
MacRae
McDonald
McFarlane
McGee
McGrath
McIntosh
McLennan
McQuillan
Mandziuk
Martel
Martineau
Martini
Matthews
Milligan
Monteith (Perth)
Monteith (Verdun)
Montgomery
More
Morris
Morton
Murphy
Nesbitt
Nielsen
Noble
Nugent
O'Leary
Pallett
Pascoe
Payne
Phillips
Pigeon
Pitman
Pratt
Rapp
Regier
Regnier
Rogers
Rowe
Rynard
Simpson
Slogan
Small
Smallwood
Smith (Lincoln)
Smith (Simcoe North)
Smith (Winnipeg North)
Southam
Spencer
Stearns
Stefanson
Stewart
Thomas
Thrasher
Tremblay
Villeneuve
Vivian
Walker
Webb
Webster
Weichel
White
Winkler
Woolliams
Wratten—135.

NAYS

Messrs:

Badanai
Batten
Boulanger
Bourget
Bourque
Cardin
Caron
Chevrier
Clermont
Crestohl
Denis
Deschatelets
Dupuis
Eudes
Forgie
Garland
Godin
Granger
Habel
Hellyer
LaMarsh, Miss
Leduc
Lessard
Loiselle
Macnaughton
McMillan
Meunier
Mitchell
Nixon
Pickersgill
Racine
Ratelle
Roberge
Tardif
Tucker—35.

During the taking of the vote:

Mr. Letourneau: Mr. Speaker, I should like to correct an error. I do not mind being called Legere, but my name is Letourneau.

After the taking of the vote:

Mr. Speaker: To make the matter clear may I say this. A vote was recorded for Mr. Letourneau but not for Mr. Legere, whose name was called in error.

I declare the motion carried.

Bill read the second time.

Mr. Speaker: When shall the said bill be considered in committee of the whole? Next sitting of the house.

At one o'clock the house adjourned, without question put, pursuant to order made on Thursday, May 11, 1961.

ANSWER TO QUESTION

The following answer, deposited with the Clerk of the house, is printed in the official report of debates pursuant to standing order 39:

WINTER WORKS PROGRAM, 1960-61

Question No. 224—**Mr. McCleave:**

What are the latest figures available regarding the municipal winter works incentive program 1960-61, for (1) Canada (2) each province, the Yukon, Northwest Territories, and Indian bands, with regard to: (a) applications received (b) applications accepted (c) applications rejected, pending, or withdrawn (d) estimated total cost of projects (e) estimated total direct payroll cost of projects (f) estimated cost of projects to May 31 (g) estimated direct payroll cost of projects to May 31 (h) estimated federal government share of direct payroll costs (i) estimated number of men to be hired to May 31 (j) estimated man-days work to be provided to May 31?

Question

Answer by: **Hon. Michael Starr (Minister of Labour):**

[*For answer see the table on the following page.*]

DEPARTMENT OF LABOUR—CANADA

MUNICIPAL WINTER WORKS INCENTIVE PROGRAM 1960-61

Cumulative Report Week Ending May 12, 1961

	Canada	B.C.	Alta.	Sask.	Man.	Ont.	Que.	N.B.	N.S.	P.E.I.	Nfld.	Yukon	N.W.T.	Indian Bands
Applications received	7,275	780	827	981	304	1,746	2,103	205	107	15	136	4	7	60
Applications accepted	7,093	765	815	960	297	1,710	2,027	202	104	14	135	2	7	55
Applications rejected, pending or withdrawn	R. 119 P. 21 W. 42	15	12	21	7	36	76	3	3	1	1	2	—	5
Estimated total cost of projects	289,911	41,451	24,541	11,039	7,384	71,217	125,733	3,050	2,175	443	2,557	3	15	303
Estimated total direct payroll cost of projects	91,553	13,033	8,192	3,873	2,393	21,949	38,438	1,466	1,082	157	777	2	5	186
Estimated cost of projects Oct. 15/60–May 31/61	210,353	23,515	20,724	9,388	7,152	52,917	89,850	2,718	2,090	149	1,530	2	15	303
Estimated direct payroll cost of projects Oct. 15/60–May 31/61	71,040	8,572	7,115	3,375	2,282	16,764	29,775	1,370	984	57	553	2	5	186
Estimated federal government share of direct payroll costs	35,159	4,241	3,556	1,683	1,141	8,321	14,668	658	492	28	275	1	2	93
Estimated number of men to be hired Oct. 15/60–May 31/61	118,976	8,919	13,120	12,167	3,607	22,446	48,695	5,551	1,532	153	1,964	7	30	785
Estimated man days work to be provided. Oct. 15/60–May 31/61	5,060,169	473,509	497,947	270,660	171,752	1,087,413	2,273,589	121,414	84,016	6,156	54,158	118	460	18,977

N.B.—Cost figures shown in thousands of dollars.
Percentage of total payroll cost to total cost of projects undertaken during period of program—33.8.

APPENDIX

ADDRESS
of
JOHN F. KENNEDY
President of the United States of America
to
MEMBERS OF THE SENATE AND OF THE HOUSE OF COMMONS
AND THE GENERAL PUBLIC
in the
HOUSE OF COMMONS CHAMBER, OTTAWA
on
Wednesday, May 17, 1961

The President was welcomed by the Right Honourable J. G. Diefenbaker, Prime Minister of Canada, and thanked by the Honourable Mark Robert Drouin, Speaker of the Senate and the Honourable Roland Michener, Speaker of the House of Commons.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. President, Speaker of the Senate, Speaker of the House of Commons, members of the Parliament of Canada. Today it is my honour to welcome here, on behalf of the Canadian parliament and people, one who comes to us not only as a renowned leader of the free world but as a good neighbour and friend.

(Translation):

Mr. President, Members of the Parliament of Canada.

Today it is my honour to welcome here, on behalf of the Canadian parliament and people, one who comes to us not only as a new but as a renowned leader of the free world, and also as a good neighbour and friend.

(Text):

Mr. President, the extraordinary welcome from the people which you have received is a demonstration of their admiration and affection not only for your country but for you and Mrs. Kennedy. As you passed through the streets yesterday and today, Mr. President, you must have been conscious of a divided attention, and all who had eyes to see could see why that was so.

This is an unusual gathering, Mr. President, bringing together as it does the members of the Senate and the House of Commons. I believe with your experience in both legislative branches of parliament you will feel particularly at home in the parliament of Canada, for I am told that on occasion the Senate of the United States and the House of Representatives are not always in agreement either with themselves or with the President. In that regard they seem at the moment to be similar in class and kind to what we have here.

In these houses of parliament, as with yours, we cherish our right to live under a system of government deriving its just powers from the consent of the governed, our right and our glory being that here in our institutions, opposing views are respected. Here, as in your country, views are not only uttered but are debated. Men who are free to speak are also compelled to answer, and it is our common right to live our lives according to our lights and without any dictation from any ruling clique. Today, sir, I bring to your attention the words of Robert Frost, the poet of your inauguration, who recently in the city of Jerusalem signed the guest book of the university there with these words:

> Something there is that does not love a wall—it is friendship.

When you spoke in New Brunswick to the university there four years ago you quoted from the same poet:

> Good fences make good neighbours.

We in Canada believe that good fences are necessary. We are determined that as to our two countries, no one shall be permitted to build a wall between them. We have fences between us, but they are not hostile barriers; but rather, by way of co-operation, evidences of distinctiveness that each of our countries cherishes and of the independence and sovereignty that each must respect in the other.

Throughout the years there has been a movement of peoples between our countries. Hundreds of thousands, if not millions, have gone from Canada to the New England states, and great numbers from the United States have settled in Canada. Indeed, sir, Massachusetts holds a special place in my heart and sentiment, for two of my wife's ancestors, Brewster and Warren, were of the Mayflower company that laid the foundations of democracy in the new world in the British tradition.

I summarize the relations between our countries as represented in your presence here today by that inscription on the St. Lawrence seaway granite plaque which reads:

> This stone bears witness to the common purpose of two nations whose frontiers are the frontiers of friendship, whose ways are the ways of freedom, and whose works are the works of peace.

We have our problems in trade; we have them in defence. I am of those who believe this, that no nation in the world today by itself can provide for adequate defence. Canada cannot. I say to you, sir, that one of the abiding things of this gathering has been the fact that we realize this fact, that we together have a responsibility to each other to maintain jontly our defences for the benefit of freedom.

That brings me to the next question, and it is this; the need for unity in addition to security. Co-operation in defence and economically is a price that all freedom loving nations, great and small, not only in NATO but everywhere in the world, must pay; for the prize of co-operation may be freedom itself.

I think great benefit comes to us by your visit, sir, in that you again have the opportunity of stating some of the principles upon which the western world stands. I have felt that we have failed among the western nations to state in simple terms the things in which we believe so that all mankind may understand that those principles shall recognize the equality of all peoples, that each and all shall work for the benefit of the other.

Great responsibilities rest upon those such as yourself who are the leaders of the free world. Leaders will not always be right in their decisions. Sometimes they will be on the wrong side. That is of the essence of democracy; but as long as they are never on the side of wrong, freedom will not suffer.

You have a great responsibility as the leader of the world's most powerful nation; young in years, old in experience, scholar, veteran, author, statesman. When I was in Ireland a few weeks ago—and Ireland is the rock whence you were hewn, sir—I was told something of your ancestry, shown the arms of the O'Kennedys of Ormonde and of the Fitzgeralds, renowned in Irish history as the "Geraldines". And I was shown a poem about the Geraldines written by the poet-patriot Thomas Davis who, incidentally, was the most famous Dublin associate of one of Canada's fathers of Confederation, Thomas D'Arcy McGee, one verse of which has significance today:

> "These Geraldines! These Geraldines! rain
> Wears away the rock
> And time may wear away the tribe
> That stood the battle's shock;
> But ever, sure, while one is left of all
> That honoured race,
> In front of freedom's chivalry is that
> Fitzgerald's place."

That is your place today, Mr. President. And I express the wish, not only on behalf of my fellow Canadians but of all people who love freedom everywhere that you may be richly endowed—in thought with faith, in words with wisdom, in deed with courage, and always in service.

In these qualities is greatness. These qualities I have in mind when I present to the Senate and the House of Commons the President of the United States.

Hon. John F. Kennedy (President of the United States): Mr. Speaker of the Senate, Mr. Speaker of the House of Commons, Mr. Prime Minister, members of the Canadian Houses of Parliament, distinguished guests and friends.

I am grateful for the generous remarks and kind sentiments expressed toward my country and myself, Mr. Prime Minister. We in the United States have an impression that this country is made up of descendants of the English and the French, but I was glad to hear some applause coming from the very back benches when you mentioned Ireland. I am sure they are making progress forward.

(Translation):

I feel I am truly among friends.

(Text):

It is a deeply felt honour to address this distinguished legislative body, yet may I say I feel very much at home with you here today, for one third of my life was spent in the parliament of my own country, the United States congress. There are many differences between this body and mine. The most noticeable to me is the lofty appearance of statesmanship which is on the faces of the members of the Senate, who realize that they will never have to place their case before the people again. I feel at home here also because I remember in my own state of Massachusetts many friends and former constituents who are of Canadian descent. Among the voters of Massachusetts who were born outside the United States the largest group

by far was born in Canada. Their vote is enough to determine the outcome of an election, even a presidential election. You can understand that having been elected president of the United States by less than 140,000 votes out of 60 million, I am very conscious of these statistics.

The warmth of your hospitality symbolizes more than the courtesy which may be accorded to an individual visitor. It symbolizes the enduring qualities of amity and honour which have characterized our countries' relations for so many decades. Nearly 40 years ago a distinguished prime minister of this country took the part of the United States at a disarmament conference. He said "They may not be angels, but they are at least our friends." I must say I do not think we have probably demonstrated in the 40 years since then that we are angels yet, but I hope we have demonstrated that we are at least friends.

I must say that in these days when hazard is our constant companion, I think friends are a very good thing to have. Your Prime Minister was the first of the leaders from other lands who was invited to call upon me shortly after I entered the White House, and this is my first trip as President—the first trip of my wife and myself—outside our own country's borders. It is just and fitting and appropriate and traditional that I should come here to Canada across a border which knows neither guns nor guerillas.

But we share more than a common border. We share a common heritage traced back to the early settlers who travelled from the beachheads of the maritime provinces and New England to the far reaches of the Pacific coast. Henry Thoreau spoke a common sentiment for them all: "Eastward I go only by force, westward I go free. And now I must walk towards Oregon and not towards Europe." We share common values from the past, a common defence line at present, and common aspirations for the future—our future, and indeed the future of all mankind.

Geography has made us neighbours. History has made us friends. Economics has made us partners. And necessity has made us allies. Those whom nature hath so joined together, let no man put asunder.

What unites us is far greater than what divides us. The issues and irritants that inevitably affect all neighbours are small indeed in comparison with the issues we face together, above all the sombre threat now posed to the whole neighbourhood of this continent and in fact to the whole community of nations. But our alliance is born not of fear but of hope. It is an alliance which advances what we are for, as well as opposing what we are against.

And so it is that when we speak of our mutual attitude and relationship, Canada and the United States speak in terms of unity. We do not seek the unanimity that comes to those who water down all issues to the lowest common denominator, or to those who conceal their differences behind fixed smiles, or to those who measure unity by standards of popularity and affection instead of trust and respect.

We are allies. This is a partnership, not an empire. We are bound to have differences and disappointments, and we are equally bound to bring them out into the open, to settle them when they can be settled, and to respect each other's views when they cannot be settled.

Thus ours is the unity of equal and independent nations, co-tenants of the same continent, heirs of the same legacy, and fully sovereign associates in the same historic endeavour; to preserve freedom for ourselves and all who wish it. To that endeavour we each must bring great material and human resources, the result of separate cultures and free economies. And, above all, that endeavour requires a free and full exchange of new and different ideas, a full and frank consultation on all issues and all undertakings. For it is clear that no free nation can stand alone to meet the threat of those who make themselves our adversaries, that no free nation can retain any illusions about the nature of that threat, and that no free nation can remain indifferent to the steady erosion of freedom around the globe.

It is equally clear that no western nation on its own can help those less developed lands fulfil their hopes for steady progress. And, finally, it is clear that, in an age when new forces are asserting their strength around the globe, when the political shape of the hemisphere is changing rapidly, nothing is more vital than the unity of your country and mine.

And so, my friends of Canada, whatever problems may exist or arise between us, I can assure you that my associates and I will be ever ready to discuss them with you and to take whatever steps we can to remove them. And whatever those problems may be, I can also assure you that they shrink in comparison with the great and awesome tasks that await us both as free and peace loving nations.

So let us fix our attention not on those matters that vex us as neighbours, but on those issues that face us as leaders. Let us look southward as part of the hemisphere with whose fate we are inextricably bound. Let us look eastward as part of the north Atlantic partnership upon whose strength and will so many depend. Let us look westward to Japan, to the newly emerging lands

of Asia and, beyond Asia, to Africa and the Middle East where live the peoples upon whose fate and choice the struggle for freedom may ultimately turn. And let us look at the world in which we live and hope to go on living, and at the way of life for which Canadians and Americans alike have always been willing to give up their lives if necessary to defend and preserve it. I was reminded again of this on my visit to your war memorial.

First, if you will, let us consider our mutual hopes for this hemisphere. Stretching virtually from pole to pole, the nations of the western hemisphere are bound together by the laws of economics as well as geography, by a common dedication to freedom as well as a common history of fighting for it. To make this entire area more secure against aggression of all kinds; to defend it against the encroachment of international communism in this hemisphere; and to see our sister states fulfil their hopes and needs for economic and social reform and development, are surely all challenges confronting your nation and deserving of your talents and resources, as well as ours.

To be sure, it would mean an added responsibility, but yours is not a nation that shrinks from responsibility. The hemisphere is a family into which we were born, and we cannot turn our backs to it in time of trouble. Nor can we stand aside from its great adventure of development. I believe that all the free members of the organization of American states would be both heartened and strengthened by any increase in your hemispheric role. Your skills, your resources, your judicious perception at the council table—even when it differs from our own views—are all needed throughout the inter-American community. Your country and mine are partners in North American affairs; can we not become partners in inter-American affairs?

Second, let us consider our mutual hopes for the north Atlantic community. Our NATO alliance is still, as it was when it was founded, the world's greatest bulwark of freedom. But the military balance of power has been changing. Enemy tactics and weaponry have been changing. We can stand still only at our peril.

NATO force structures were originally devised to meet the threat of a massive conventional attack, in a period of western nuclear monopoly. Now, if we are to meet the defence requirements of the 1960's, the NATO countries must push forward simultaneously along two major lines.

First, we must strengthen the conventional capability of our alliance as a matter of the highest priority. To this end we in the United States are taking steps to increase the strength and mobility of our forces and to modernize their equipment. To the same end, we will maintain our forces now on the European continent, and will increase their conventional capabilities. We look to our NATO allies to assign an equally high priority to this same essential task.

Second, we must make certain that nuclear weapons will continue to be available for the defence of the entire treaty area, and that these weapons are at all times under close and flexible political control that meets the needs of all NATO countries. We are prepared to join our allies in working out suitable arrangements for this purpose.

To make clear our own intentions and commitment, to the defence of the western world, the United States will commit to the NATO command area five—and subsequently still more—Polaris atomic missile submarines, which are defensive weapons, subject to any agreed NATO guidelines on their control and use, and responsive to the needs of all members but still credible in an emergency. Beyond this, we look to the possibility of eventually establishing a NATO sea-borne force which would be truly multilateral in ownership and control, if this should be desired and found feasible by our allies once NATO's non-nuclear goals have been achieved.

Both of these measures—improved conventional forces and increased nuclear forces—are put forward in recognition of the fact that the defence of Europe, and the assurance that can be given to the people of Europe, and the defence of North America, are indivisible; in the hope that no aggressor will mistake our desire for peace with our determination to respond instantly to any attack with whatever force is appropriate, and in the conviction that the time has come for all members of the NATO community to further increase and integrate their respective forces in the NATO command area, co-ordinating and sharing in research, development, production, storage, defence, command and training at all levels of armaments. So let us begin. Our opponents are watching to see if we in the west are divided; they take courage when we are, and we must not let them be deceived or in doubt about our willingness to maintain our own freedom.

Third, let us turn to the less developed nations in the southern half of the globe, those whose struggle to escape the bonds of mass misery appeals to our hearts as well as to our hopes for a free and stable world community. Both your nation and mine have recognized our responsibilities to these new nations. Our people have given generously, though not always effectively. We could not do less, and now we must do more.

For our historic task in this embattled age is not merely to defend freedom. It is to extend its writ and to strengthen its covenant to peoples of different cultures and creeds and colours, whose policies or economic system may differ from our own but whose desire to be free is no less fervent than our own. Through the organization for economic co-operative development and the development assistance group we can pool our vast resources and skills and make available the kind of long term capital, planning and know-how without which these nations will never achieve independent and viable economies, and without which our efforts will be tragically wasted. I propose further that the O.E.C.D. establish a development centre, where citizens, officials, students and professional men of the Atlantic areas and the less developed countries can meet to study the problems of economic development.

If we in the Atlantic community can more closely co-ordinate our own economic policies —and certainly the O.E.C.D. provides the framework if we but use it, and I hope you will join us in doing so—then surely our potential economic resources are adequate to meet our responsibilities. Consider, for example, the unsurpassed productivity of our farms. Less than 8 per cent of the American working force is on our farms; less than 11 per cent of the Canadian working force is on yours. Fewer men on fewer acres than almost any nation on earth, but free men on free acres, can produce here in North America all the food a hungry world can use, while all the collective farms and forced labour of the communist system produce one shortage after another. This is a day to day miracle of our free societies, easy to forget at a time when our minds are caught up in the glamour of beginning the exploration of space.

As the new nations emerge into independence they face a choice, shall they develop by the method of consent or by turning their freedom over to a system of totalitarian control? In making that decision they should look long and hard at the tragedy now being played out in the villages of communist China.

If we can now work closely together to make our food surpluses a blessing instead of a curse, no man, woman or child need ever go hungry again. And if each of the more fortunate nations can bear its fair share of the effort to help all the less fortunate—not merely those with whom we have had traditional ties but all who are willing and able to achieve meaningful growth and dignity—then this decade will surely be a turning point in the history of the human family.

Finally let me say just a few words about the world in which we live. We should not misjudge the force of the challenge we face, a force that is powerful as well as insidious, that inspires dedication as well as fear, that uses means we cannot adopt to achieve ends we cannot permit.

Nor can we mistake the nature of the struggle. It is not for concessions or territory. It is not simply between different systems. It is the age old battle for the survival of liberty itself. And our great advantage, we must never forget, is that the irresistible tide that began 500 years before the birth of Christ, in ancient Greece, is for freedom, and against tyranny. That is the wave of the future, and the iron hand of totalitarianism can ultimately neither seize it nor turn it back. In the words of Macaulay, "A single breaker may recede, but the tide is coming in."

So we in the free world are not without hope. We are not without friends. And we are not without resources to defend ourselves and those who are associated with us. Believing in the peaceful settlement of disputes and in the defence of human rights, we are working through the United Nations, and through regional and other associations, to lessen the risks, the tensions and the means and opportunity for aggression that have been mounting so rapidly throughout the world. In these councils of peace—in the United Nations emergency force in the Middle East, in the Congo, in the international control commission in southeast Asia, in the ten nation commission on disarmament—Canada has played a leading, important and constructive role.

If we can contain the powerful struggle of ideologies and reduce it to manageable proportions, we can proceed with the transcendent tasks of disciplining the nuclear weapons which shadow our lives and of finding a widened range of common enterprises between ourselves and those who live under communist rule. For, in the end, we live on one planet and are part of one human family; and whatever the struggles that confront us we must lose no chance to move forward toward a world of law and a world of disarmament.

At the conference table and in the minds of men the free world's cause is strengthened because it is just. But it is strengthened even more by the dedicated efforts of free men and free nations. As that great parliamentarian, Edmund Burke, said, "The only thing necessary for the triumph of evil is for good men to do nothing." To do something is in essence why I am here today. This trip is more than a consultation, more than a good will visit. It is an act of faith, faith in your country and your leaders, faith in the capacity of two great neighbours to meet their common problems, and faith in the cause of freedom in which we are so intimately associated.

Mr. Diefenbaker: I should like to call now on the honourable the Speaker of the Senate and the Speaker of the House of Commons to thank the President for his address, and at the same time to express the appreciation of the members of both Houses of Parliament for the gracious gesture on the part of the President in that he will meet all members in room 16 on the conclusion of this gathering.

(Translation):

Honourable Mark Robert Drouin (Speaker of the Senate): Mr. President, allow me, on behalf of the members of the Senate of Canada, to tell you how delighted we are to welcome you among us, and to express our gratitude to you for the admirable address you have delivered with so much eloquence.

(Text):

If I may, Mr. President, I should like to tell you in English that the Senate and the House of Commons had no trouble today in coming to agreement to greet you and Mrs. Kennedy in Ottawa, and if you should be pleased to return and honour us with a further visit I am sure that a truce can be arranged and that we will greet you again with the enthusiasm that you realize is in this assembly.

(Translation):

It is not without deep emotion that we have just heard you speak of the things that unite us. We are not the only ones to have heard the ideas you have expressed, the declarations of principle that you have just made. Your words were addressed to the Canadian people and beyond the Canadian people you were also addressing all those peoples of the universe who, according to our laws, are free peoples. Finally, and mainly perhaps, you were thinking of another world when you spoke to us of peace, taking us to witness. We know that world, it ignores us and menaces us in turn, that world is inimical yet has the same right as we have to live on man's planet. The political and human principles you entertain you have wished to express them for the first time on foreign soil before the Canadian parliament. If you chose to do so it was not indiscriminately. You may rest assured that the Canadian people appreciate your friendship towards us far more deeply than I can express it. Your presence in this house is a brilliant symbol for us.

In the difficult times we are going through, you may rest assured that Canadians are not merely fairweather friends. Twice the young men of our two countries in the prime of life have crossed the oceans to fight for liberty and for that democratic civilization to which both our countries belong. Today, you are the head of those democracies. And we wish to assure you that the Canadian people working in co-operation and harmony with yours will bring you the support of its resources and friendship.

Your concern to extend beyond the borders of America a generous image of your country honours us because this policy rests on truth. My compatriots I am pleased to say, are, I believe, your voluntary and understanding ambassadors throughout the world—we want the free world to recognize the disinterested generosity of the great American people. We proclaim your proverbial generosity—we want people finally to thank you—to thank you for your philanthropists and your foundations that have helped to rebuild so many cathedrals and assisted so many in distress through the centuries and beyond all frontiers—to thank you for the incalculable benefits derived from the Marshall plan that enabled the whole of Europe to recover rapidly —to thank you for the considerable assistance you grant to underdeveloped countries—to thank you for being the rampart of truly free democracies—finally, to thank you on behalf of those who do not know how to thank.

The long and friendly history of our relations shows that two nations, although of unequal force, can live together peacefully and prosperously.

By your presence here you bring us the ever present friendship of your country. As for ours, you can feel it in the atmosphere of this assembly. You yourself have integrated in your person the knowledge and power to act. You have already qualified courage as the most admirable of all human virtues and you were right. Your political career which in spite of the summits you have already attained is only just beginning, has given us time and again proof of that courage which you were pleased to exalt in others. Your country has entrusted its future to a young, piercing and dynamic mind. It is to some extent our future and that of western civilization that you carry within you. Let us remember that our greatest ally is liberty. Democracies remain while dictatorships pass. A free man can never be vanquished—a free man is always the stronger. A reign of terror is always of short duration. Contemporary history brings us striking proof of this fact. Within recent times how many dictators have died an ignominious death and on their tombs democracy has blossomed again.

I could not forgive myself, Mr. President, if before finishing I did not add that coming from Quebec, that province which through its civilization, its language, its traditions and its religion differs from all the other provinces

of Canada but which nevertheless is an integral part of this country and makes it a strong and united country, coming, as I say, from that province, I am not afraid to state that the presence by your side of your ravishing wife adds to the attachment we feel for you and all that you represent. Indeed, it is common knowledge that even before you were elected President of the United States, many Canadians hastened to look through the civil status registers in the hope of discovering that Mrs. Kennedy was of Canadian descent. Unfortunately, this search did not bear fruit. But we soon gained comfort from the knowledge that your wife, like us, was of French descent.

Her charm, her grace, her beauty and her vivacity have conquered all our hearts. Your union thus doubly justifies our attachment and our affection for you and your children. Thus, I bow to Mrs. Kennedy in expressing our confidence in you, Mr. President, and our every good wish for the greatness and prosperity of your country. May God be with you!

(Text):

Hon. Roland Michener (Speaker of the House of Commons): Mr. President, in the name of the House of Commons, in whose chamber we are assembled, I have the honour to offer you our sincere and profound thanks for your presence here today and for your encouraging message of friendship. I am sure that in this respect the House of Commons reflects the sentiments of all Canadians, not only the distinguished leaders of church and state and the guests of parliament who are present, but all Canadians everywhere. Many of them have seen and heard you this last half hour on television. All of them are pleased with your visit. They are all deeply sympathetic with you as you undertake the great responsibilities of your office, responsibilities which have so much significance not only for us as a neighbour, as a partner in NATO and in the free world, but for the strategy of peace in the world at large.

Beyond that, they are deeply interested in you as a person; as a young man who adds resourcefulness and integrity to a profile of courage. If you look about the House of Commons you will see many young men; in fact there are 54 members who have not reached their 44th year. As a group we may be slightly prejudiced in favour of youth and enterprise, in your favour shall we say. There is no doubt whatever of our attitude toward charm and beauty and, therefore, of our wholehearted delight with your wife and with her presence here today. We not only thank you for bringing Mrs. Kennedy but rejoice in the good fortune which gives you such a beautiful and talented helpmate.

Having regard to some things that have been said today, and in taking unto myself and to my words this broadly representative character, I must make one exception. None of us in this house would dare to speak for what we refer to rather obscurely as the other place—in the plainest English, the senators. Of course they have already been most eloquently represented by my colleague, their Speaker, whose impeccable French, the envy of all would-be parliamentary bilinguists, has given our sentiments most perfect expression.

I can tell you privately, Mr. President, that although we are glad to have the senators with us and to seat them in this chamber, we are not sure that our love is reciprocated. When we are invited from time to time to their chamber— "summoned" is the appropriate word—our fraternization is somewhat restricted by a brass barrier which they have placed just where the red carpet begins. Perhaps in Washington these legislative rivalries have not been thought of.

However, both the Canadian Senate and House of Commons collaborate most sincerely to welcome you. We collaborate in other ways which would interest you. Twice a year a delegation from our two houses meets a delegation of your Senate and House of Representatives in parliamentary exchanges which are carried on under the name of the Canada-United States interparliamentary group. These have been most cordial and fruitful. Taken together with many other exchanges between our two countries, private and official and at all levels, they are evidence of how closely the social and economic life of our two countries has been interwoven. They are evidence, too, of our determination not to let our proximity produce any unnecessary friction or misunderstanding, of our determination to be good neighbours rather than just neighbours.

We regard your visit, Mr. President, as the highest expression of these neighbourly interchanges, a sort of coping stone added to a solid structure of good will. It serves to bring to focus all our desires and hopes in this most important area of international co-operation.

To our thanks to you and to Mrs. Kennedy may we add our best wishes for continued success and enjoyment of your visit, and express our hope that as you have come first to us in Canada we shall continue to deserve and receive that priority in your affections.

HOUSE OF COMMONS

Thursday, May 18, 1961

The house met at 11 a.m.

HOUSE OF COMMONS

POSTPONEMENT OF ARRANGEMENTS FOR PHOTOGRAPH OF HOUSE IN SESSION

Mr. Speaker: May I inform the house that when it became apparent that there would be notable absences of members from both sides of the house today, I took the liberty of postponing the proposed portrait. When the budget address is given I hope we may be able to get a more representative picture of the house.

PRESIDENT JOHN F. KENNEDY

ADDRESS TO BOTH HOUSES OF PARLIAMENT TO BE APPENDIX TO "HANSARD"

Hon. Donald M. Fleming (Acting Prime Minister): Mr. Speaker, by unanimous consent and in keeping with the practice of the house on past similar occasions, I should like to move, seconded by the Leader of the Opposition (Mr. Pearson):

That the address of the President of the United States of America, Mr. John F. Kennedy, delivered yesterday before the members of the Senate and of the House of Commons, together with the introductory speech by the Prime Minister and related speeches, be included in today's House of Commons debates as an appendix and in yesterday's in the bound volume, and thus form part of the records of this parliament.

Motion agreed to.

EXTERNAL AFFAIRS

TABLING OF COMMUNIQUE ON DISCUSSIONS BETWEEN U.S. PRESIDENT AND PRIME MINISTER

Hon. Donald M. Fleming (Acting Prime Minister): Mr. Speaker, I should like to table two copies in English and in French of the joint communique issued by President Kennedy of the United States and the Prime Minister (Mr. Diefenbaker) bearing today's date, following discussions held on May 17, 1961, in Ottawa.

BUSINESS OF THE HOUSE

FURTHER LEGISLATION TO BE BROUGHT DOWN THIS SESSION

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): I should like to ask the house leader when we can expect some of the long list of proposed bills to be put on the order paper, which is now fairly well cleared up?

Hon. Gordon Churchill (Minister of Veterans Affairs): They will be ready for the house just as soon as the house is ready for these other items. We are going on now with estimates for the balance of this week. There will be plenty of material available for the opposition next week and the following week.

EXTERNAL AFFAIRS

CANADA-U.S.—JOINT STUDY ON ECONOMIC AID

On the orders of the day:

Mr. Hazen Argue (Assiniboia): I should like to direct a question to the Prime Minister. It arises out of President Kennedy's strong plea for stepped up economic aid. I am wondering whether the Canadian government is giving further study to this proposal, whether any committee has been set up to study it, or whether there are any plans for joint study with the United States.

Hon. Donald M. Fleming (Acting Prime Minister): Mr. Speaker, I think it would be the wish of the house to defer questions concerning the discussions which have been held between the Prime Minister and the President of the United States during the visit of the past two days until the Prime Minister's return to the house this evening or tomorrow morning.

CUBA—INQUIRY AS TO RETURN OF REMAINING CANADIAN MISSIONARIES

On the orders of the day:

Mr. Gerard Loiselle (St. Ann): Mr. Speaker, in the absence of the Secretary of State for External Affairs and the Prime Minister I should like to ask a question of the parliamentary secretary to the Secretary of State for External Affairs. Sixty-one Canadian missionaries arrived yesterday from Cuba, and a press report this morning mentions that there are still 57 such missionaries remaining in Cuba. I should like to know whether there is any possibility that the government will furnish the means of transport for these missionaries.

Mr. W. B. Nesbitt (Parliamentary Secretary to the Secretary of State for External Affairs): Mr. Speaker, I shall be very glad to take this question as notice and see that a reply is provided at the earliest possible moment.

Inquiries of the Ministry

HOUSING

SUGGESTED REASON FOR INCREASED ACTIVITY

On the orders of the day:

Mr. J. R. Garland (Nipissing): Mr. Speaker, I should like to direct a question to the Acting Prime Minister. While all hon. members are pleased to see house building activity showing signs of recovering from the near collapse of a year ago, is the Acting Prime Minister aware that the higher level of starts reflects the desire of the lending institutions to place their funds before the N.H.A. rate is reduced?

Hon. Donald M. Fleming (Acting Prime Minister): Mr. Speaker, I could hardly imagine a more argumentative question than that. If you will allow me some measure of latitude to deal with it as I think it should be dealt with, I shall be glad to do so. I think you might rule, however, that it would have the attributes of a debate on the subject.

Mr. Speaker: I think the minister is correct, that the hon. member is not so much interested in getting information as in making a point.

LABOUR CONDITIONS

MOOSONEE, ONT.—THREATENED STRIKE ACTION BY CARPENTERS

On the orders of the day:

Mr. Hubert Badanai (Fort William): Mr. Speaker, in the absence of the Minister of Labour I should like to direct a question to the minister's parliamentary secretary. He may take the question as notice if he has not the information. My question rises out of a telegram I received which reads as follows:

> Carpenters at Moosonee voted overwhelmingly in favour of strike action. Conciliation board report directs parties meet with government departments involved.

Has the minister received a request for intervention in the dispute concerning carpenters presently employed on the radar installations at Moosonee, Ontario, and if so, can he indicate to the house whether he is prepared to appoint an official of the department?

Mr. R. D. Thrasher (Parliamentary Secretary to the Minister of Labour): Mr. Speaker, I shall be pleased to take the question as notice.

INQUIRY FOR RETURN

JOHN WASLYCHEN

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the Minister of Justice. My question is based upon a starred question of May 3 which was made an order for return. This question asked for certain statistical information about the late Mr. John Waslychen, who was an inmate of the British Columbia penitentiary. I wonder whether the minister can inquire to see whether or not this information might be made available before the estimates of his department are considered.

Hon. E. D. Fulton (Minister of Justice): Mr. Speaker, I was inquiring about that matter just before coming down to the chamber. I was shown a draft return which I felt was acceptable, except that I thought one part of the answer should be expanded to give the information asked for. That should be done within the next couple of days.

GRAIN

WHEAT—DECREASE IN EXPORTS THROUGH PORT OF QUEBEC

On the orders of the day:

Mr. Maurice Bourget (Levis): Mr. Speaker, in the absence of the Minister of Agriculture I should like to ask a question of the acting minister. Has the minister been made aware that the exportation of wheat from the port of Quebec is continually decreasing? If so, what action is contemplated by the government to remedy the situation?

Hon. D. S. Harkness (Acting Minister of Agriculture): Mr. Speaker, I am not aware of the situation which the hon. member mentions. However, I will be very glad to refer this matter to the department in order to secure an answer at the earliest possible moment.

(Translation):

REPORTED DIFFERENCE IN RETURNS TO EASTERN AND WESTERN FARMERS

On the orders of the day:

Mr. Samuel Boulanger (Drummond-Arthabaska): Mr. Speaker, I have a supplementary question for the Minister of Agriculture or in his absence, for the Acting Minister of Agriculture. My question arises from a report publishd in *Le Devoir* of this morning to the effect that farmers in the lake St. John area are being subjected to unfair competition due to the fact that they are paying from $10 to $20 more per ton for feed grain than the western farmers. I am therefore asking the minister if any action will be taken to correct this situation.

(Text):

Mr. W. H. Jorgenson (Parliamentary Secretary to the Minister of Agriculture): I shall be happy to bring this matter to the attention of the minister.

(Translation):

PUBLIC SERVICE

MONTREAL—REPLACEMENT OF CHIEF OF VETERINARY HYGIENE BRANCH

On the orders of the day:

Mr. J. O. Latour (Argenteuil-Deux-Montagnes): Mr. Speaker, I should like to direct a question to the Secretary of State.

To provide for the replacement of Dr. Labelle, head of animal health division, Department of Agriculture, Montreal office, the civil service commission has announced competition number 61-P-AGR-24.

Could the minister tell me the names and addresses of all the applicants and also whether all the candidates have been properly called before the civil service commission and heard by the members of the commission or their deputies?

Hon. Noel Dorion (Secretary of State): Mr. Speaker, I shall take this question as notice and see to what extent it can be answered.

Mr. Latour: Mr. Speaker, as a supplementary question, could I ask the minister—

(Text):

Mr. Speaker: Order. The hon. member's question has been taken as notice, and a supplementary question would not be appropriate.

(Translation):

LIVESTOCK

QUEBEC—INQUIRY AS TO POSITION RESPECTING HOG CHOLERA

Mr. J. O. Latour (Argenteuil-Deux-Montagnes): Mr. Speaker, may I ask the Minister of Agriculture, or whoever replaces him, a question?

An epizootic disease called "hog cholera" has been noted in the province of Quebec for several months. According to available information from other quarters, Dr. Troalen of Montreal, an official of the animal health division of the Department of Agriculture is responsible for research with regard to the cause and cure of epizootic disease.

On April 12 last I wrote to the Minister of Agriculture asking for a report on the situation. Would he inform us now whether he is going to produce it in the near future?

(Text):

Mr. L. E. Cardiff (Parliamentary Secretary to the Minister of Agriculture): I did not receive notice of this until after I came into the house. I will have an answer prepared later.

Inquiries of the Ministry

THE CENSUS

POSSIBLE USE OF INFORMATION FOR POLITICAL PURPOSES

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I see that both the Minister of Trade and Commerce and his parliamentary secretary are away today; nevertheless I should like to put this question and ask if the minister would consider making a more specific and thorough statement on the information gained by the census figures to be taken next month, in view of the general speculation and criticism in many parts of the country that this information may be used for political purposes.

Hon. Gordon Churchill (Minister of Veterans Affairs): I doubt very much whether that question is in order at this time, but I will refer it to the Minister of Trade and Commerce.

AIRPORTS

LAKEHEAD—TENDERS FOR EXTENSION

On the orders of the day:

Mr. Hubert Badanai (Fort William): I wish to address a question to the Minister of Transport. On March 2, in the course of an address to the annual meeting of the Fort William chamber of commerce, the minister made a statement to the effect that an extension to the lakehead airport costing approximately $650,000 would be made this spring.

Can the minister inform the house whether tenders have been called in connection with this project and, if so, whether any contracts have been awarded?

Hon. Leon Balcer (Minister of Transport): It is a fact that I made such a statement, but unfortunately there have been several revisions to requirements, particularly in connection with operational requirements for such facilities as telecommunications and traffic control, and this has delayed final layout planning. The project is still on our active list for tender call later during the current fiscal year. It has reached the stage of readiness for submission to treasury board for approval in principle of size and cost involved.

TRANSPORT

RICHELIEU WATERWAY—FORMATION OF JOINT CANADA-U.S. COMMITTEE

On the orders of the day:

Mr. Maurice Johnson (Chambly-Rouville): I had a question to address to the Prime Minister, but in his absence, since it deals with external affairs, I should like to address it to the parliamentary secretary to the Secretary

of State for External Affairs. Did the Prime Minister and the President of the United States have any opportunity to discuss the Richelieu waterway during their meeting in Ottawa yesterday?

Mr. W. B. Nesbitt (Parliamentary Secretary to the Secretary of State for External Affairs): I am surprised that the hon. member for Assiniboia should appear to be awaiting the answer to this question with such interest.

I shall be glad to accept the question as notice and see that it is forwarded to the Prime Minister.

Mr. Argue: You disappoint me.

An hon. Member: You are always disappointed.

UNITED NATIONS

UNESCO—APPOINTMENT OF CANADIAN NATIONAL COMMISSION EMPLOYEES

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the Acting Prime Minister, asking him whether he can explain to the house whether or not employees and staff members of the national commission for UNESCO, which is under the Canada Council, are appointed after competition.

Hon. Donald M. Fleming (Acting Prime Minister): Mr. Speaker, surely that is not a question to be asked on orders of the day.

Mr. Speaker: Order. I think that question would be more appropriate for the order paper.

(Translation):

CANADIAN NATIONAL RAILWAYS

USE OF LAND FOR HIGHWAY PURPOSES

On the orders of the day:

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, the day before yesterday the hon. member for St. Henry asked me whether I had received representations from the authorities of the city of Montreal concerning the replacement of the road-bed of C.N.R. lines in Montreal. As I had not understood his question properly, I should like to correct my answer.

We did receive a brief from the city of Montreal which dealt with several subjects of interest to both the municipal and federal authorities, including representations on the matter put to me by my hon. friend. I want to say to him that my officials, as well as those of the Canadian National Railways are still negotiating on this matter with the Montreal authorities.

[Mr. Johnson.]

Mr. J. P. Deschatelets (Maisonneuve-Rosemont): A supplementary question, Mr. Speaker. Can the minister tell us when this brief was received?

Mr. Balcer: I have the brief here, but unfortunately no date appears on it. If I remember right, it was received at least four or five weeks ago.

(Text):

COAL

CAPE BRETON—INQUIRY AS TO CHANGE IN SUBSIDIES

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, since the Leader of the Opposition asked his penetrating supplementary question on Tuesday, and the Prime Minister replied that the question should be directed to the Minister of National Revenue; and in view of the fact that both the Prime Minister and the Minister of National Revenue are absent today, I wonder whether the Minister of Mines and Technical Surveys could give the house any information as to whether the government is making any change whatsoever in its subsidies for the coal mining industry so there will not be a complete shutdown of these three mines.

Hon. Paul Comtois (Minister of Mines and Technical Surveys): Mr. Speaker, I cannot make any statement at this time.

SUPPLY

The house in committee of supply, Mr. Flynn in the chair.

DEPARTMENT OF TRANSPORT

402. Departmental administration, $3,395,700.

Mr. McMillan: Mr. Chairman, on Saturday afternoon I referred to the fact that it would be better for this government to bring in a bill to help shipping rather than by a $1 item in the estimates. I said at that time I thought the government should be able to give an estimate as to the requirements in this respect, and if the estimate was not high enough no member in this house would refuse to vote a further supplementary estimate. I do not propose to refer to that further at this time, but I do wish to refer to a matter which has to do with several people in my district.

The oldest street car line in Canada ran between St. Catharines and Thorold. It was horse-drawn. It started in 1874. This line was electrified in 1882, and over the years it was gradually extended from St. Catharines

to Port Dalhousie, to Niagara-on-the-Lake, and from Thorold to Niagara Falls to Fonthill, to Welland and Port Colborne. Those lines provided suburban passenger and freight service among those municipalities, and they had switching rights to the regular railways for their freight. From 1908 to 1923 those lines were operated by the Canadian Northern Railway, and in 1923 they were taken over by the Canadian National Railways. The railway was known as the N.S. and T., the Niagara, St. Catharines and Toronto Railway.

With the development of motor transport the passenger services have been taken over by motor buses. The services have been gradually curtailed until today, as far as passenger service goes, the Canadian National Railways serve just the city of St. Catharines, the town of Thorold, and the plants south of that town. The rail services, however, carry a certain amount of freight.

On April 7, 1961 the employees who have been paying into a pension fund of the Canadian National Railways since January, 1935 received notice that the Canadian National Railways would cease to operate in this area after August 1 of this year. It may be that the Canadian National Railways will have someone taking over their franchise and equipment, presumably a municipality, but 75 employees, many of whom have contributed to the C.N.R. pension fund for many years, will be seriously affected.

Sections 112 and 113 of the pension plan, contained in a booklet supplied to the C.N.R. employees, seem to indicate that every employee who joins the service after January 1, 1935 and before attaining the age of 45 years, may be entitled to $300 per annum as a contribution by the company toward his pension plan. Section 121 is intented to provide for those employees who leave the railway service, or who retire early. In short, it provides for the return of the employee's contribution with interest and the cancellation of the employer's contribution. At page 7 of the pension plan booklet the following is found:

> **Your service will not be considered terminated if you are laid off but only if you leave or are discharged.**

In the present situation the employees are not taking vountary leave, nor are they being laid off for any personal reason. Their jobs are being terminated because of decisions of the Canadian National Railways relating to a change in policy. These employees cannot be absorbed into the other branches of the service and are being forced into unemployment. They can, under a formula, qualify for pension for early retirement, but it seems to me that the company's contributions do not have anything to do with these early retirements payments. These early retirement payments in my view represent the return of the employees' own money.

For example, one man who will be short of 65 years of age by eight months, with 43 years' service, will receive only two fifths of his full pension. Another who will lack six months service for full retirement benefits, with 38 years' service, will receive only two twelfths of his full pension. I have here a list of 75 names of faithful employees of the C.N.R. Not one will receive more than two fifths or 40 per cent of his full pension and others with 33 years' service, and over age 60, will receive much less, or about 17 per cent of their full pension. After all, this looks like a return of their own contributions, paid back to them in pension form. The payments made by the railway in respect to their pensions have nothing to do with any money they receive back. Seventy five families in my area will be affected and I believe the economy of our area will be adversely affected. The people of Canada, through the Canadian National Railways, under this proposed scheme will be breaking faith with these employees.

This issue points up what I have mentioned in this house on earlier occasions, the need of earlier vesting in pension plans. If we had earlier vesting in pension plans these people would have a portable pension. No doubt some of these men would be hired by the authority that takes over these particular bus lines, but they would have to start from scratch in building up a new pension plan. In the meantime, those with 40 years' service and even those with more than 30 years' service will be too old to obtain other work and will be left out on a limb. This is not fair, and such a situation should not exist in our society. I wish to hear from the minister on this question, and I appeal to him to do something for these people.

If the C.N.R. has paid $300 per man over the years, that represents a lot of money. In all fairness I think some of this money should accrue to these employees. These men should have some vesting rights. It does not seem to me to be fair that a man should pay into a pension fund up to within a few months of retiring—and according to law he has to serve right up to the last day—before he has any vesting rights in respect to the employer's contribution. In this case the people of Canada are leaving these employees out in the cold without much pension even though some of the employees have almost reached retiring age.

Mr. Smith (Lincoln): Mr. Chairman, I am sorry I did not hear all the remarks of my

friend the hon. member for Welland, but I am happy to support some of the statements he has made. I wish to thank the hon. member for advising me that he intended to speak on this matter at this time. It is a question that affects a great many people in the riding which I have the honour to represent.

These employees of the Canadian National Railways are being displaced by reason of the fact that the company is discontinuing the local bus service some time in the near future. I suggest to the minister that in view of the long and important transportation service the C.N.R. has supplied to the people in the Niagara peninsula he take a personal interest in this matter of discontinuing the service.

The city of St. Catharines alone has a population of approximately 84,000 people, and this local public transportation system is extremely important. Therefore I recommend to the minister that his department co-operate to the fullest extent with the municipalities in that area in providing a continuing service to the public, as well as in adequately and generously providing a fair settlement of pension and other employment separation problems for all employees who will be displaced.

I understand negotiations are under way between the council of the corporation of the city of St. Catharines and the Canadian National Railways to provide ways and means whereby the city may purchase the assets of the local company and operate the service as a municipal public utility. I also understand that negotiations are under way between the employees of the C.N.R. bus operation in St. Catharines and the C.N.R. officials. I offer my wholehearted support to both the city of St. Catharines and the railway employees in their negotiations with the Canadian National Railways and I urge the minister to make sure that there is ample time allowed for a just and reasonable settlement of both the employees severance problems and the question of future ownership of the company before the C.N.R. discontinues operations.

I extend to the minister my full support with respect to the statement of new government policy concerning shipping operations and shipbuilding. In my opinion this is the most important and constructive decision this government has made in recent years. It is a policy designed to save the Canadian ship operators from complete deterioration which might well have taken place if Canadian ship owners had been forced to continue transferring their ships to British or other registry in order to remain competitive with the foreign vessels trading in our inland waters at the present time.

Shipbuilding which is an old industry in Canada, and a long established industry in my riding will benefit greatly from the proposed new regulations providing for ship construction subsidies. Subsidies toward the cost of shipbuilding may be new in Canada, but they are not new in almost all other countries which engage in shipbuilding. While I do not think subsidizing industry is a permanent solution, Canada's shipbuilding industry has had to contend with serious problems of competition from subsidized European and other shipbuilding yards, and I am sure this new assistance will speed up maximum production in all Canadian shipyards and will provide thousands of new jobs not only in the shipyards but also in other allied trades.

I wish now to say a word about Canada's proposed new coastguard service. This is a matter about which I have spoken in this house on several occasions over the past few years. I have urged that Canada should have at least one first class salvage and rescue vessel on each of the great lakes capable of providing fire protection and doing towing and general salvage and rescue work. I have long felt that we rely too much on the United States coastguard service. With the coming of the seaway and the recent tremendous increase in pleasure craft on the great lakes a service of our own, to work in conjunction with that of the United States, in my opinion is urgently needed.

I again draw to the attention of the minister the need for regional airports with adequate facilities for non-scheduled and scheduled passenger and freight transportation in areas that are highly industrialized and are not adjacent to major airports of Trans-Canada Air Lines. In the Niagara peninsula, part of which is in my riding, we have such a requirement. Most of the municipalities in the area have formed a commission and operate an airport which is owned by the Department of Transport and is located near the city of St. Catharines. Over the past three years the Department of Transport has provided such facilities as night lighting and directional beacons, and has purchased additional land for future expansion.

However, the big problem today is the fact that the runways were built for light planes and are both too short and too light in construction for DC-3 planes to land and take off from them. Some of our industries with large company planes have been obliged to house them at Buffalo or Niagara Falls, New York, which is a great inconvenience. We have a very active Royal Flying Club with a large number of small planes, as well as many privately owned small planes. It is a customs airport, but it lacks the essential runway with a length of 4,000 feet to 5,000 feet.

In the Niagara peninsula there is no airport with runways over 2,800 feet in length,

and they are all of light construction. Therefore an airport with suitable facilities is badly needed in the area and the St. Catharines regional airport would appear to be the most suitable one for development. With the large amount of industry in the peninsula requiring airport facilities, and with the possibilities of shipping by air fresh fruit and vegetables grown in abundance in the area the need for a regional airport is most urgent and its success and use would seem to be assured.

This is a matter that has been before the Department of Transport for some time. While they have been generous to us—as I say, they have given us certain facilities—nevertheless I contend that the Niagara peninsula, which has a large area and a large amount of industry of one kind or another, certainly has the need for a regional airport with runways from 4,000 feet to 5,000 feet in length. The Department of Transport pilots have problems when they go in there with their planes. As a matter of fact the minister of immigration caused a little bit of excitement when she visited there some time ago and her plane went through the light runway.

I should like again to register my opposition, on behalf of the people of my riding, to the principle of tolls on the Welland ship canal. These tolls, together with tolls on the St. Lawrence river seaway canals, make lake Ontario a toll-locked lake and different from the other great lakes in Canada. Industries located on lake Ontario are thereby penalized. We agree that the full cost of operation and maintenance of the Welland ship canal should be recovered by way of service charges such as linesmen's fees, wharfage, lockage fees, etc., but we are opposed to the principle of tolls to recover capital costs. The Welland ship canal was completed some time in the 30's and is all paid for with the exception of some deepening that was done lately; and while the toll charges at the present time are not too heavy, nevertheless in the future, if the twinning of the single locks were done, the toll charges if increased could then become a great disadvantage to industry in the area.

I urge that consideration be given to an early start on the twinning of the remaining single locks on the Welland ship canal. The need for this action is becoming most acute. You will recall, Mr. Chairman, that in the past two years there have been many traffic jams on the canal which have held up the flow of traffic very badly. The need for twinning is becoming more urgent every day. We often hear rumours about an all-American canal being built from lake Ontario to lake Erie. I think its construction could perhaps be stalled or held off for some time if the remaining single locks on the Welland canal were twinned. There certainly is not at the present time sufficient business for two canals connecting lake Ontario and lake Erie. However, there is certainly room for improvement on the Welland canal, and this improvement might very well be accomplished by the twinning of the remaining single locks.

In making those recommendations to the Minister of Transport, I must also congratulate him on his appointment. We of the Niagara peninsula are looking forward to having him come to our area some time in the near future to have a good look at this Welland ship canal, the scenic beauties of the Niagara peninsula and the many historic and interesting places in the area.

Mr. Carter: I should like to extend my congratulations to the minister on his new appointment and to wish him well in his new field of endeavour. I should also like to express to the officers of his department my appreciation for the consideration they always give to the problems I bring to them both here in Ottawa and in the regional office at St. John's. In particular I wish to express my thanks for the services of the icebreakers to our lobster fishermen this spring. Those icebreakers cleared away the ice and enabled the fishermen to start the fishery at the beginning of the season.

In connection with the icebreaking service I wish to bring to the attention of the minister one or two complaints I have received from Port aux Basques and North Sydney. The minister very well knows that unusual ice conditions prevailed this year. Sydney harbour and Port aux Basques harbour were blocked with ice for a long period of time and ferry communication between the mainland and Newfoundland was interrupted for a period of eight or nine days while the ferry was stuck in the ice and was unable to get into Sydney harbour. At the same time the icebreakers were employed in keeping other harbours open. Perhaps because of the unusual severity of ice conditions not very much could have been done this winter.

However, I have been asked to remind the minister that this ferry service between North Sydney, Nova Scotia and Port aux Basques, Newfoundland is part of the terms of union between Newfoundland and Canada. We feel that, other things being equal, it should receive priority so the service can be maintained whenever conditions will permit. We feel it should be on the priority list for the service of icebreakers when they can be used in this way, instead of perhaps being employed to keep other harbours open where the priority is not of the same order.

Last Friday the minister announced a new shipping policy for Canada. Whatever our attitude may be toward subsidies—and I do not think anyone can deny that there are both advantages and disadvantages in government subsidy of any industry—I think most hon. members will agree that the shipping and shipbuilding industries are special industries, essential to the economy of Canada, and must be kept alive at all costs even if they require subsidization.

The actual benefit the shipping industry will receive from the policy announced by the minister last Friday cannot be assessed until we know what the regulations are going to be which will govern that assistance. So far these regulations have not been made known; therefore we are not in a position to evaluate just how effective this assistance will prove to be. It seems at the moment that while it will remove one of the obstacles with which the shipping industry has to contend—I refer to the extra cost of ship construction—most of our ships have been forced to foreign registry not so much by the capital investment involved in construction but by the operational costs of the ships after they are built. As far as we can see from this announcement, the new policy will not in any way provide assistance toward the cost of operation.

When the minister draws up these regulations I think it would be well if he kept in mind that the shipping industry itself is in a state of transition. I hope that ships built under this new policy will be modern in every sense. I hope the ships which are built will not become obsolete in a few years and before their useful lifetime has run out. There are two trends which are noticeable in the shipping industry at the present time. One is the trend toward ships with larger carrying capacities, and the other is toward ships for specialized cargoes.

We all know about the success of the Norwegian shipping industry. That country has done a great deal toward encouraging the building of specialized ships. In fact ships are being built to carry only Volkswagens from Europe to this country. That is the kind of specialization I am thinking about. I think we should keep that in mind when these regulations are being drafted.

The other point I want to ask the minister to consider in drawing up these regulations is this. I ask the minister to make sure that the regulations will cover the construction of wooden coastal vessels for Newfoundland. The announcement of the minister made special reference to wooden ships for the fishing fleet, but nothing was said about wooden vessels for the coastal trade. In Newfoundland we have people distributed around the coast line living in a large number of very small harbours. The only way supplies can be carried in and out to these people is by small wooden ships of anywhere from 50 tons up to perhaps 200 tons. These are the kind of ships which could be built in our own shipyards, and I am sure the minister wants to encourage the shipbuilding industry in Newfoundland as much as in any other province. Therefore I do hope the minister will take note of this special need as far as Newfoundland is concerned, and will frame the regulations so they will cover this particular kind of coastal ship.

I would also hope the minister will see fit to include in the regulations some subsidy or assistance toward the cost of life saving equipment. This has become imperative under the Canada Shipping Act. The kind of rubber life saving raft which is demanded today is a very expensive piece of equipment. These rafts cost anywhere from $1,000 to $5,000, and a ship may have to equip itself with two or three of them to meet the standards of safety required under the act. This is one of the instances where regulations under the Canada Shipping Act impose extra costs on Canadian ship owners which are not imposed on ships that operate under foreign registry.

In addition to the increase in shipping costs I should like to bring to the minister's attention the need for additional navigation aids, not only in my own district but in the whole of Newfoundland. When Newfoundland became part of Canada the Department of Transport, very wisely I think, decided that before increasing the number of navigation aids they should modernize and replace those which were already in existence.

This has now been done, and we are very grateful. However, there is a great need for additional navigation aids. To impress this fact upon the minister I suggest that he look at a number of charts. If the minister will get a set of charts of the Newfoundland coast and compare them with charts of the coast of Nova Scotia and other maritime provinces, he will see that the navigation aids along the Newfoundland coast are much fewer and much more widely dispersed than they are on the eastern coast of mainland Canada. If the minister will compare the charts of the Atlantic coast of the maritime provinces with the charts of the great lakes he will find an even greater contrast. There are many more navigation aids around the great lakes than there are around the Atlantic coast line.

We know that part of the reason for navigation aids is to facilitate the movement of

shipping, but their primary purpose is to save lives. The life of a person in one part of Canada is just as important as it is in any other part of Canada. Therefore I do ask the minister to look at the charts, and I will provide him with a list from my own riding of locations in which we think more lighthouses and light and whistle buoys are required.

Before I sit down I should like to ask the minister to consider a change in policy with respect to the administration of public harbours. We have in Newfoundland a number of harbours which are used by sufficient shipping to require some kind of orderly control and administration. However, they are not big enough to be classed as national harbours, and the practice has been to declare them public harbours under the Canada Shipping Act and to appoint harbourmasters to administer them. I do not think this is the best way of administering these harbours, and I ask the minister to consider extending the power and authority of the pilotage commissions to enable them to administer harbours of this kind.

We have pilotage commissions in many harbours, and there is no good reason why they should not be given powers under the shipping act to administer such harbours as I have described. In my opinion it is much better for the administration of harbours to be under a local body which can deal with matters as they arise than for them to be under the control of a single person who must be guided by the regulations which are handed to him. If further decisions are required he has to get in touch with St. John's, and St. John's in turn may have to get in touch with Ottawa, a process which sometimes causes a delay of up to four or five days during long week ends in summer. Thus there is a need for more local autonomy in the administration of these harbours, and I think that could well be provided by using the pilotage commission in the manner I have suggested.

When the minister replies I should like him to make clear to the committee what the position is now with respect to the provincial acts governing pilotage in Newfoundland. At the time of confederation we had two acts, a special one for the harbour of St. John's and another for harbours outside St. John's. Then we became part of Canada and subject to still further legislation under the provisions of the Canada Shipping Act. I should like to know whether the original Newfoundland pilotage acts have been incorporated in the Canada Shipping Act, or whether they have now lapsed.

I should also like to ask the minister to provide any information he can about the progress which is being made with respect to establishing a free port or a transshipment port at Mortier bay. From time to time we see press releases about the progress being made, and indications that certain firms in Europe are interested in this project. We see indications that a group on the mainland is interested in developing the port of Churchill, and that this development is linked with developments of Mortier bay. I think it would be a good thing if the committee knew just what has transpired during the past year in this respect.

Mr. MacEwan: I have a few observations to make on these estimates of the Department of Transport, which are most important throughout the country and especially important to the constituency which I represent. I should like to thank the minister and the officials of his department for the co-operation which has been shown to me since the hon. gentleman took office, a co-operation which I know will continue. The minister is well acquainted with my area, having served in the Pictou area during the war with the Royal Canadian Navy.

First of all I wish to congratulate him and the government on the shipbuilding policy which was announced a few days ago. This is most important to Pictou and to its largest industry, which happens to be Ferguson Industries Limited, a shipyard. I understand a telegram has been sent by that firm to the minister in connection with this new development. I believe the firm was holding its annual meeting this week, intending to discuss aspects of the new program, and I also believe that officials of the company have been in touch with other firms on this matter. The new policy should be of great help in providing employment in this shipyard. Vessels are refitted from time to time for the Department of Transport, vessels belonging to the department, and I hope the minister will keep us in mind in the Pictou area when such work is being done.

There is another matter which was brought up the other day by the hon. member for Queens, Prince Edward Island. It concerns the ferry route which runs between Cariboo, Nova Scotia and Wood Island, P.E.I. The Minister of Fisheries, who is here with us, is also most interested in this route, which is operated by Northumberland Ferries Limited, a private company. The company operates two vessels, the *Lord Selkirk* and the *Charles A. Dunning*. The latter has seen long service and needs to be replaced. I have been in close touch with the maritime commission in connection with this matter, and also with the operators of the service. I know that the Minister of Fisheries, the hon.

member for Queens and myself are hopeful that recommendations will be made by the maritime commission to the Department of Transport and to the government generally so that a new ferry may be built for this route.

I think perhaps I should place on record a few statistics which I have here showing the notable increase in the number of vehicles and passengers carried on this route. I have here the figures for the years 1959 and 1960. In 1959 the number of automobiles ferried from May to August was 32,296. During the same period in 1960 the number was 41,314, an increase of 19,018 during that one year period. I know, speaking of Cariboo in my own constituency, that during July and August there is heavy tourist traffic. I have seen vehicles lined up for many car lengths from the ferry wharf, showing that a sister ship for the *Lord Selkirk* is needed for this route. As I have indicated, the *Charles A. Dunning* is now very old. It will take at least a year and perhaps two years to build a new ship, but I believe that consequent on the increase in traffic a new ship is certainly warranted. Incidentally, a fine job could be done at Ferguson Industries. Returning to the figures, I would add that in connection with passenger traffic for 1959 and 1960 there was an estimated increase of between 6,000 and 7,000 in the number of persons carried.

That is one matter of great importance. In connection with another subject, I should like to commend the minister for reviving the route from Pictou to Prince Edward Island to the Magdalen islands. The terminal is in Pictou. The office staff live in Pictou and some of the crew of the new ship also live there, I believe. I am very happy that this service has been continued although the new ship, I understand, is stuck off the coast in the ice now and is being assisted by one of the icebreakers belonging to the department. This service is most important to the port of Pictou. It helps the area and gives work to men there.

In July of 1959 the port of Pictou, on the north shore of Nova Scotia, suffered a disastrous fire which almost completely destroyed the waterfront. However, through the efforts of the Department of Public Works, facilities are now being built there. A new quay wall has been built, and I expect an announcement will soon be made regarding the construction of a new pier C costing in the vicinity of $540,000, which will certainly be of great assistance to this fire-ravaged port.

The matter of railway services and facilities is of great importance to my constituency, not only having regard to the employment associated with the provision of those services but also because of the fact that the largest employer in my constituency is the Eastern Car Company, the Dosco plant, which manufactures freight cars. During the past year the employment situation at that plant has not been good. As has been pointed out by the president of the Canadian National Railways, the need for new railway cars is not as great now as it has been, because much of the rolling stock of that railway has been modernized during the last ten years. This same situation is probably equally applicable to the Canadian Pacific Railway.

I am sure the minister is well aware of the representations I have made in reference to railway car orders. This plant has received orders this year for approximately 300 insulated heavy type railway cars from the Canadian Pacific Railway, and I hope that, in view of tenders which have been called by the Canadian National Railways, this plant will receive at least a portion of that contract. The other two main plants supplying railway cars in Canada are the National Steel Car Company of Canada, at Hamilton, and Canada Car, Montreal.

The employment situation in my constituency is perhaps different from the situation in the areas where those two companies are located, in that the largest employer in my area is the supplier of those railway cars, and when there is a lack of employment there the men are not able to find work in other plants, as are individuals working for companies in the larger centres.

It has been pointed out and recommended by others, as well as by myself, that there is a need for this plant to go into different lines of production. In this regard, I am aware that the company has recently appointed a manager of product development, in an attempt to develop the manufacture of other types of products and to diversify the activities of that company. I hope their attempt in this regard will meet with success so the company can provide continuous employment.

Perhaps I should also refer to volume 1 of the MacPherson royal commission report while I am speaking about railways. I would like to quote one statement from that report at pages 67 and 68, as follows:

> **We are also convinced that these remedies will help to ensure that the railways will take their proper place in a Canadian transportation system designed to encourage and facilitate national unity and national development to the greatest degree.**

I feel that many of the recommendations contained in this volume of the MacPherson report are good recommendations. Undoubtedly the government will take them into

consideration in preparing future legislation or policy in respect of the two national railways.

An hon. member has stated in this committee that nothing has been done to help the maritime provinces in the problems they face regarding freight rates. I should like to say that I am looking forward to the receipt of the second volume of the MacPherson report, which will undoubtedly contain further recommendations to which the government will give consideration. As the old saying goes, Rome was not built in a day, nor will the problem of equalizing freight rates be solved in a day. This is a very difficult problem, particularly with reference to the maritime provinces; but I am sure this government, after considering the recommendations made by the MacPherson royal commission, will be able to suggest possible solutions to the problems facing these areas.

There are several other matters to which I intend to refer, but I shall do so during the consideration of individual items. I should like at this time, however, to refer to one other matter of great importance to the residents of Pictou island, which lies approximately seven miles off the coast of Nova Scotia. The only means of communication between this island and the mainland during winter is provided by an airplane which flies between the island and Prince Edward Island. This airplane is capable of carrying the mail and one passenger, and was formerly operated by a gentleman locally referred to as "the flying farmer". At the end of last winter that gentleman ceased to provide this service, and was replaced by a gentleman known as "the flying padre". The air strip which exists on the island is not a good one, and does not lend itself to easy landings and take offs especially during winter months. In order to facilitate this service on a year round basis a new and better air strip is required.

I drew this need to the attention of both the present minister and his predecessor, and was advised that the necessary land must be purchased by the province or municipality and donated for this purpose before the Department of Transport could do anything in this regard. I was also advised that there must be a local guarantee to maintain the air strip, once it had been built. Following the receipt of this advice, officials from the Moncton division of the department made a trip to the area and have since suggested that there are strips there which could be utilized.

I brought the situation to the attention of the government of the province of Nova Scotia, and was informed that it was more of a municipal problem. Since that time I have approached a municipal councillor who will undoubtedly put the problem before the county council, and I hope it will come forward with a solution. I am sure the necessary land in the area can be purchased for a very low price, and that maintenance would amount to very little as compared to the importance of maintaining communications between that island and the mainland especially during the winter months.

That is all I wish to say at this time, Mr. Chairman, but I feel I should repeat that the services provided by this department are very important to the residents of my constituency, and commend the minister for his co-operation to date in this regard.

Mr. Winch: Mr. Chairman, I understand that during the discussion on this vote hon. members are entitled to raise matters concerning transportation in Canada both in a general and a particular way. As this government has not yet seen fit to face up to the necessity and inevitability of providing a national transportation policy, it automatically follows that what I have to say deals with transportation in particular. Transportation is of tremendous importance to the Canadian people and Canada's economy, and I hope the minister, with his vast knowledge, will honestly and openly give this committee information regarding exactly what is happening in the transportation field in Canada.

I wish to particularize with reference to three points. The first deals with the passenger service which is now being provided by the Canadian National Railways and the Canadian Pacific Railway. I have been very interested during the past two weeks in press releases issued by the officials of both railway transportation systems. I have also been interested in the passenger service being provided by these railway systems, and the endeavours to encourage the officials of the two systems to make an effort to meet the needs of Canadian people for passenger service.

I must regretfully say that while I have been interested in these press reports issued by both the Canadian National Railways and the Canadian Pacific Railway in regard to passenger service, I have had to come to the conclusion that it is just so much eyewash. I suggest that actually the officials of the two railway systems are doing everything possible to discourage the provision of the passenger service part of their operations. I believe we are entitled to learn from the Minister of Transport just what is going on behind the scenes and what is the passenger transport policy of the national railroads of Canada.

Let me give an indication of why I have come to this conclusion. I should like to give the minister a few examples and ask him to

examine what happened two days before Christmas and two days after New Year's as regards railroad passenger policy and accommodation between Calgary and Vancouver. What did happen? I received my information not only from those who were on the trains but also from the railroad men themselves. They are interested in passengers and in their comfort. Then why, in the period I have just mentioned, was the accommodation on the trains between Calgary and Vancouver and Vancouver and Calgary such that many passengers had to stand up all the way? Why was it that on the train that went from Banff to Vancouver there was no dining car or coffee car, so that in that 24 hour run it was not even possible to get sandwiches? Why was it that although under the special plan of the railroad when you bought your ticket you bought not only your travel but your meals, no meals were served?

I have spoken to those who had such tickets on those trains, but there was no dining car and no coffee car on the train. I am not going to give the exact trains, because I do not want the men persecuted. I have spoken to one of the conductors who was faced with having to accept tickets which entitled the purchasers of those tickets to food on that train. He got so fed up trying to explain it was not his fault that he went into the baggage car and stayed there for a great part of the trip. I got this information from the man concerned.

When you are confronted with that kind of situation you ask, as I am asking now, do we believe what they say in the press or do we believe the experience of the passengers and the railroad men? Let me give one further example. When I was getting ready to come down here at the opening of this session I put in my application for a certain reservation on the train. I was told I would have to wait to have confirmation whether there was any space available. Two days later it was confirmed that space was available. When I got on the train I was one of four in the car.

Let us go even further. I am going to tell the minister of a Vancouver businessman who had to go from Vancouver to Montreal and decided to take his wife along with him. He made application to reserve a room for himself and his wife in a car, and he was told there was no space available, that they would have to take separate duplex roomettes to Winnipeg, and from Winnipeg they would transfer into the one room on the train. When that man got on the train—I did not know the man myself, two porters told me about it—they had the two duplex roomettes, but the man found that most of the car was vacant. Thereupon he asked the sleeping car conductor if he could have one room for himself and his wife to Winnipeg, because he had a room reserved from there on. He was sold a room; and this is one of the coincidences that sometimes occur. You know, Mr. Chairman, he obtained exactly the same room which he was to have from Winnipeg to Montreal, and he obtained it in Vancouver when he boarded the train.

It is because of things such as these that we ask, do we believe the newspaper publicity issued by the top brass of those railways, or do they have a policy, all the railroads put together, by which they are trying to get out of the passenger business? I know that hon. members whom I see right now have had similar experiences, or have had similar information given to them. I think we are entitled to know just what is in the minds of the heads of the railways as regards their policy on passenger service.

This leads me automatically to my second point, Mr. Chairman, namely the policy of our national railways in buying outright or a controlling interest in trucking and passenger service over the roads of Canada. I know that every hon. member receives periodically letters and information from the road transport companies of Canada. They are continuously complaining about the competition of the railroads. On the other side of the fence the railroads are complaining about the competition of those who use our roads for trucking and passenger service.

To me it is rather fantastic that both the railroads are, and have been for years, buying up the major trucking and road passenger services in Canada. What kind of sham battle is going on between the railroads and the major trucking companies of Canada when they are all owned by the C.N.R. and the C.P.R.? Surely, sir, there is a sham battle going on, and it is time it was brought out in the open and we were given the true picture which exists as between the railroads and the trucking and road passenger companies which they own. Surely the time has come for this sham battle to cease and for us to be given the actual picture of the co-operation and the competition between the two, and why one should attack the other when they are both owned by the same company.

This sham battle indicates the imperative and immediate necessity of the government giving consideration to bringing the entire transport system of Canada, whether it be by railroad, by road or by sea, into proper perspective and outlining a national transportation policy which will be in the interests of our people, whether it be freight or passenger service, so that it may be carried on in the most efficient manner as far as the

economy of our country is concerned. A sham battle is not in the interests of anyone concerned. It is not in the best interests of any corporation or citizen, nor is it in the best interests of the economy. Statements made in the press for publicity purposes do not mean anything if the actual operations belie the statements. These matters are of such importance at this time that I hope the minister will clarify the situation. I hope he will tell us whether or not the government is facing up to the problem of a national transportation policy for Canada and, if so, what is being done about it.

Transportation is a vital necessity in our country, and it should be placed on a practical, efficient basis. I do not need to point out that Canada is a vast country, approximately 4,000 miles across and one third larger than the United States in size. Canada is an export nation. In the final analysis the efficacy or inadequacy of Canada's transportation system can make or break this country in terms of it occupying a major role in the export field. Perhaps the minister would give us an indication of what is really taking place in the field of transportation.

Until a few years ago the Canadian Pacific Railway provided a ferry service between the British Columbia mainland and Vancouver island. A few years ago the service was terminated during certain periods of the year because the company was losing money. No competition had to be met by sea, although Trans-Canada Air Lines provided competition by air. T.C.A. still operates a competitive service and the number of flights between Vancouver and Patricia bay is now at an unprecedented level.

What happened? Because of the deteriorated condition of the C.P.R. service the government of the province of British Columbia felt that it had to take action. This is a government which abhors anything of a socialist nature, is opposed to public ownership and is fully in support of free enterprise. This government decided to go into the ferry business, and built two large modern ships to ply between the British Columbia mainland and Vancouver island. I recently read in the newspaper that in the first 12 months of its operation the government ferry sevice made a profit of approximately $800,000. The operation has been so successful that two additional ships are being built. Apparently private enterprise failed in this field through the C.P.R., and public ownership through the service provided by the government made a profitable return. The position of the government ferry service is similar to that of Polymer and Eldorado in the federal field. This leads one to speculate about the policy of the C.P.R. in operating this service and allowing it to deteriorate to a point at which the provincial government had to move in.

The three fields about which I am curious and concerning which I should like a full statement from the minister are the passenger services of the railways, the trucking industry on our highways and the steamship services. I ask the minister to do something that no minister of transport has ever done. I urge him to give the committee a full exposition of all aspects of transportation policy. I urge him to give us an explanation of the difference between the statements made by those in control and what we see as a result of the actual operation. Most important of all, I ask the minister to give us an indication that the government recognizes the seriousness of the situation, and to tell us what is being done to provide a national transportation policy for Canada so we may have a profitable transportation system that will benefit the economy and the Canadian people.

Mr. Payne: Mr. Chairman, I rise on a question of privilege affecting the rights and privileges of all hon. members of the House of Commons and regarding the opportunity provided us to discharge our responsibilities to those who placed us in this chamber, the electorate of Canada. I refer to the inability of members to be recognized by the Chair. I suggest that it would be right and proper in this situation to revert from committee so that I may discuss this question in some detail with Mr. Speaker in the chair.

Mr. Chevrier: Mr. Chairman, I think this is an extremely unusual procedure. I did not know it was the practice when we were in committee of the whole as we are now, discussing the estimates of the minister, to ask us to call the Speaker back into the chair to discuss a question of privilege that could have been raised earlier when the Speaker was in the chair and that could, I suppose, be raised later today or even tomorrow. On its face it would appear to me to be an unusual procedure, and I do not think we should be called upon to interrupt our present proceedings.

Mr. Winch: Mr. Chairman, I wish to ask the hon. member who raised this question of privilege what he means. As I recall our rules the hon. member can follow this course in only one way. He is challenging you, sir, as chairman of the committee and is saying in effect that Your Honour has a bias in the recognition of speakers. If that is what the hon. member means he should say so directly. He appears to be accusing Your Honour of having a bias in the recognition of speakers.

The Chairman: Whether or not the hon. member's statement represents a challenge

to the Chair, I think the procedure is as follows. We cannot call the Speaker back on a question like this unless there is an appeal from a decision of the Chair, which appeal is to the house. The second thing I would say is this. There is a procedure that is available. Any hon. member may move that a certain member be now heard, and it will be up to the committee to decide whether or not the member be heard. I do not think the hon. member for Coast-Capilano was discussing the bias of the Chair or anything like that. The problem of the chairman is that he cannot recognize all hon. members at the same time.

Mr. Drysdale: Mr. Chairman, I move that the hon. member for Coast-Capilano be now heard.

Mr. Horner (Acadia): I second that motion.

Mr. Payne: Mr. Chairman—

The Chairman: Before the hon. member speaks, I will put the motion. I think the motion should be in writing. However, I suppose it can be taken as made.

Motion agreed to: Yeas, 61; nays, 0.

Mr. Payne: Mr. Chairman, my grievance is as follows. Fundamental to the discharge of our responsibilities in this chamber, is our ability to be heard in this chamber. On occasion I have found that I have been faced with a list which is held—

The Chairman: Order. Will the hon. member resume his seat?

Mr. Payne: Yes.

The Chairman: The question which the hon. member is now discussing has nothing to do with the estimates before the committee. As I indicated previously, I do not think there is a question of privilege. I would therefore ask the hon. member to discuss the estimates of the Department of Transport at this time and not to refer to the question which has been disposed of by the decision of the committee.

Mr. Payne: Mr. Chairman, I understood you wished me at this time to discuss the point of privilege which—

The Chairman: No; I think the hon. member misunderstood me. The committee has decided that the hon. member may now speak on the estimates which are before the committee. The hon. member has the floor but he has it for the purpose of participating in the present debate and not for the purpose of discussing the question of privilege or the matter which I indicated was not a question of privilege in any way.

[The Chairman.]

Mr. Payne: I wish to thank you, Mr. Chairman, and the members of the committee for the consideration I have received. I will not go further and enlarge upon the reasons why I imposed on the committee in this way. I am indeed grateful for this consideration.

The main subject for discussion, as far as my remarks are concerned at this time, has to do with the port of Vancouver. The reason for discussing that subject on item No. 1 is to be found in the limitations that exist surrounding the terms of and the regulations under the National Harbours Act.

At the outset I should like to say that my congratulations go to the minister in his new portfolio. I would point out that his predecessor has given tremendous co-operation with regard to the bringing into effect of a new policy in the general area of the port of Vancouver. It is with great regret that we have seen the former vice chairman, namely Mr. Robert Rankin, leave the national harbours board and take a new and extremely important role as president of the St. Lawrence seaway authority. I say that most sincerely, because Mr. Rankin took an intimate and personal interest in the problems which I will now discuss. As a result of his replacement by Mr. Howard Mann may I say we look forward with pleasure to an association that will develop. I am sure that Mr. Mann is an able and capable individual, and that he will follow up the great work done by Mr. Rankin.

I have discussed the port of Vancouver on a number of occasions and in a good deal of detail both at this session and at previous sessions of this parliament. The great need of our port, the great lack that had developed through no planning over the years has become greatly apparent in the past few months with the sale of large tonnages of grain to the Orient.

It is rather interesting to note that most of the problems inherent in grain handling and the large shipment commitments to mainland China developed not from lack of loading space, as it is popularly thought, and to which the problem is usually credited, but rather through inefficient arrangements surrounding the port and quite beyond the authority of the national harbours board. When the Minister of Agriculture returns from his current visit to the west coast, where he has been investigating the handling of grain, I am quite sure he will confirm the suspicion he has held in this regard.

With respect to this great natural facility there is no liaison, no control factor or no management to administer and control the movement of rail traffic. No plans have been laid for many years to make available access

to the wharfage. We have confused switching charges and arbitrary arrangements not directed toward the improvement and service of the port of Vancouver but frequently entered into by the various railways, which are competing for input of freight at points as far removed as Edmonton, Prince George and elsewhere in the hinterland.

The former minister of transport caused to be brought into being an interdepartmental study group. This body was announced a little more than a year ago. It consisted of members of the civil service from the Department of Public Works, Indian affairs, the Department of Transport and personnel from the national harbours board. It is my understanding that this body has now reported. I hope that in his remarks the minister will bring to this committee some news or some word of the findings and recommendations of this body.

I hope the minister will recognize the need for establishing at an early time a much broader study, which should develop a broader authority with powers extending back of the harbour line so that proper planning in conjunction with the communities surrounding this national facility can be undertaken, as they are now undertaken in other ports of Canada. I point to the planning and land assembly programs which have been undertaken in the ports of Saint John and Montreal, to name but two.

I urge that at the same time the minister recognize the immediate necessity for bringing into being a technical body prepared to go ahead and act, taking over the interests of the railways if necessary, to provide this port facility with the services it so urgently needs. This port is a national trust. It is one of the greatest facilities this nation has been given. It services the Pacific and the great Orient trading basins, representing potentially 65 per cent of the world's population.

The problems surrounding this harbour are today apparent, and it is with some shame that I report to the committee—the committee was warned about this last year—that the Pacific and Orient line have put into service large new passenger ships. The facilities are not there to berth these vessels. Indeed, those who travel by this route and enter Canada's western gateway inform us that for facilities our port qualifies as the worst they have seen, barring only one port in India. In previous years I have reviewed the vast tonnages and the great movement of vessels into and out of this port. This is an all-year harbour not bothered by ice and not curtailed in any way other than by a lack of planning and foresight created by man.

To those who come from the prairies this national trust means as much as it does to anyone living on the west coast itself. I urge the minister to take a keen and vital interest in following up the good work started by the former minister of transport and so ably handled by Mr. Rankin, so that we may not be guilty of impairing seaborne traffic so essential to Canada's economy.

There are two other subjects which I should like to discuss. We heard the other day, and at some length, the hon. member for Laurier discuss T.C.A. He did so pretty much as the ancient mother sheltering her brood. The hon. member brought into focus none of the facets which are today so important and which are certainly apparent to me from western Canada. I refer to the welfare not only of one but of all the great air carriers of this nation which are prepared to operate on the basis of private enterprise, which are prepared to give a service equal to that of any air carrier in the world, and which are prepared to pay the same taxes as are paid by any other industry in this country.

These air carriers are today facing problems. Some of these problems may be of their own making, but a great many are the making of the previous administration. The opposition today like to point to bilateral air agreements and find fault with this administration, when most of them were initiated by themselves.

To give the committee illustrations I would refer to the great west coast of the United States, that country's second most populous area. Did Canada make a magnificent deal? We secured landing rights in the most northerly and least populous city of Seattle only. At no other point on the Pacific west coast of the United States can Canadian air carriers land, nor do we have any privileges other than those granted by virtue of need and necessity for emergency.

We have an air carrier—I think it is fair and proper to name it—Canadian Pacific Air Lines, which I understand has asked for the privilege of sharing in the increase in growth of Canada's internal air traffic. I think this is a fair and just request. We have here a government agency T.C.A. spending millions of dollars on recapitalization for re-equipment and plant, always prepared to throw an extra plane into service on any line so they can show a most unfavourable revenue and passenger mile picture, and using this as a tool to deny private enterprise the right to do a job.

We can find enough money to throw millions of dollars into T.C.A. but we deny private enterprise the right to give a service it is prepared to give and for which it is prepared to pay taxes while so doing. We can find money for this sort of thing, we can find millions of dollars for a new equipment program.

Against this I should like to throw into focus the great needs of the port of Vancouver; a port which is a national trust and a national responsibility; a port which for hundreds of years to come will be the major mover of the heavy tonnage of commerce of this nation.

Mr. Chairman, may I call it one o'clock?

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

Mr. Payne: I am sure all members of the committee would wish me, before proceeding with my remarks, to welcome the hon. member for Essex East who, I see, is back in his place after a sojourn in hospital.

At one o'clock I was discussing certain matters concerning the policies of Trans-Canada Air Lines. I had made brief mention of the heavy capital spending program upon which this crown corporation is in the midst of undertaking at this time a program which represents the acquisition of new aircraft at a cost in excess of $200 million. I would point out that this large sum represents an expenditure by and on behalf of the people of Canada, since this is a crown corporation controlled in an indirect form through the shareholdings by the Canadian National Railways, another crown corporation.

Here surely is a case where the people of Canada and certainly the members of this chamber should take a serious look at this serious situation. Huge sums of money are being spent on aircraft to provide a service which private enterprise is ready and capable of providing, a service which private enterprise has amply proved its ability to supply. Surely this is a direction in which the spending of public money is not justified.

As I said earlier, the national facilities which do require the expenditure of money on the part of the nation are our ports, not only the port of Vancouver but other ports; the facilities which allow the industry and commerce of this country to be carried on and which determine the ability of this exporting nation to meet and service its export requirements. Surely at this time we should take a serious look at what certain of these crown corporations are doing—I refer particularly to T.C.A.—and what they are calling for by way of public funds to provide a service which, as I said, could and would be provided adequately and at competitive rates by private enterprise which, in addition to discharging these functions, would pay tax revenue to the nation.

[Mr. Payne.]

Mr. Winch: May I ask the hon. member a question? Who for years pioneered this service in Canada?

Mr. Payne: In answer to the hon. member for Vancouver East I would say there is no doubt T.C.A. did play a certain pioneering role, but I would point out to the hon. member that many another air line in Canada pioneered routes and provided service for the public in regions where T.C.A. never made a move. I would remind the committee of the work done by Mackenzie Air Service and Canadian Airways, which opened up the vast mineral area to the north of Vancouver, serving the upper regions around Aklavik and the Mackenzie river and bringing progress to the Canadian north. It was not only T.C.A. which pioneered; these other lines pioneered. In addition, they provided service on a competitive basis and paid taxes, too, while the T.C.A. pioneering effort, if you can call it that, was to establish a service between the major centres of population in Canada, frequently at a loss and requiring heavy subsidy.

I say now is the time when we must give some thought to where public spending should go. Should we be paying $250 million for aircraft which private enterprise could provide on a competitive basis for our external and internal air services, or should we spend that money on the port facilities of this nation in order to increase the efficiency of our export industry? Mr. Chairman, I think the answer to this question is simple.

There are two further points I should like to mention briefly. Last year the predecessor of our current minister announced the formation of the Canadian coastal protective services. I realize now, as a result of the announcement made earlier this session, that the current Minister of Transport is actively pursuing the establishment of this program, and has arranged for the provision of certain craft which will make this service much more effective and efficient. On behalf of the people of my area I wish to congratulate the minister for this move, and trust that it will go forward with haste, as I am sure the need for coastguard service, on the Atlantic as well as the Pacific coast, is urgent.

I should also like to congratulate the minister in regard to the shipbuilding assistance program recently announced. Western Canada's largest shipyards are located in my area, and I can assure the minister that this program of assistance will be most useful in the provision of urgently needed new coastal ships. This assistance will help in the provision of new deep-sea bottoms on the oceans of the world, and will mean a great deal to

the thousands of families whose breadwinners work in our shipyards. I think this is a fine and imaginative program, and one which must give the minister a good deal of pride and pleasure.

I should also like to congratulate the minister for his recent announcement regarding the provision of new weather ships. These ships are indeed needed on the west coast. The old frigates, which have been serving in the Pacific, have provided poor accommodation for the crew who reside on these craft during some of the most rigorous weather that the oceans produce. These old vessels have not only been deficient in respect of conveniences and amenities for the crew while away from home, but are deficient in respect to the work they can perform at sea. I feel the provision of these new ships will make a great contribution to the provision of meteorological information which the Department of Transport so ably carries out.

Mr. Rynard: Mr. Chairman, I should like first of all to wish the Minister of Transport every success in this new portfolio which we all realize is a difficult one, including as it does the fields of air, land and water transportation.

I intend today to speak in regard to the Trent valley waterway. This waterway runs through the heartland of Ontario and is 230 miles in length, including 32 miles of canal locks, from Trenton on lake Ontario to Port Severn on the Georgian bay. This waterway, believe it or not, was started in 1830 by the imperial government as a means of defence, and transportation, and colonization in an attempt to open up the area. As hon. members know, this waterway was used by Champlain almost 350 years ago when he travelled form Georgian bay along the Trent waterway by portages where necessary to lake Ontario across the end of lake Ontario and attacked the Iroquois at approximately where the city of Syracuse, New York now stands.

The money provided by the imperial government for the development of this waterway was spent for the purpose of defence. The development of the waterway lagged for a good many years, until a man by the name of Mossom Boyd of Bobcaygeon acquired money to continue the project; but when he applied for permission to go ahead, it was denied. It was not until 1880 that Sir Charles Tupper became interested in the waterway and initiated an investigation as to the feasibility of finishing it. Following that investigation Sir Charles Tupper came to the conclusion that the waterway must be completed as fast as funds were available to do so, but unfortunately Sir Charles Tupper was appointed high commissioner to Britain before the project could be completed, and it was allowed to lag again following his departure.

In 1892 Sam Hughes, later Sir Sam Hughes, of Lindsay became interested and undertook to have the government complete the canal. In 1896 the government changed and under the government of Sir Wilfrid Laurier the canal was again allowed to lag. The people living in the area brought pressure to bear on the government of the day, and Sir Wilfrid Laurier appointed a royal commission to determine whether the waterway should be completed. This royal commission, I believe, was headed by Sir John Bertram. This commission presented a report recommending that the waterway be completed as soon as possible and the project proceeded under the Liberal government, which was defeated in 1911, but was carried on by the Conservative government of that day under Sir Robert Borden. In 1914, with the commencement of the first world war, the project was carried on as a stopgap measure by the provision of a marine railway from Swift Rapids to the Big Chute. A promise was made at that time to complete the canal with locks immediately following the end of that war. Over 40 years have now passed since then, and the same bottleneck exists now that existed at that time.

Hon. members may wonder why the government of that day ever built the marine railway there. I suggest it was simply a measure to put in a stop dam to provide water to produce electric power for the munitions plants in the town of Orillia.

During the years this waterway has become a great water highway. More boats pass through the waterway in a day now than during a month at that time. Hotels, summer camps and cottages have been built all along the route, and marine motels are now being built. The investment in tourist camps and motels which has been made by the people of this area has amounted to millions of dollars. The investment in buildings is not the only expenditure that would be made. In addition there are the cost of upkeep and maintenance, to say nothing of the new buildings that would be built if the bottleneck of the marine railways was removed representing millions of dollars paid to labour. For the staffing of those motels, hotels and marinas, thousands of dollars more would be spent in labour costs. Many of our university and senior high school students would find work in those places during the summer holidays in increased numbers.

To repeat the opening up of this waterway at the north end will bring more buildings, more cottages, more hotels, more marinas and more motels. It will provide many hours of employment in the erection of the buildings, and then in the maintenance and staffing permanent employment will be provided, which will be greatly accelerated over the years to come. The building of lift locks will provide a great many jobs, many more than marine railways, which are incompetent and unsafe at best, or cradles or any other scheme that I know or have read of. Lift locks should be installed as soon as possible first because of their efficiency and second, because of their speed in handling boats, their saving of water and their safety and passenger comfort. Occupants can stay in their boats while the boats are carried up.

I just wish to make this statement. At one lock there is a lift of 65 feet and at the other it is over 50 feet. This is the equivalent of six to seven storeys or six to seven stairways in the ordinary house. A great many people who own these boats are getting along in years. I have seen them on more than one occasion face these steps with dread and fear. The marine railways are absolutely incompetent to handle the boating public today, as are any other form of cradles or other works. With the hydraulic lift lock they can stay in their boat and be raised without any waste of water. Also, larger and heavier boats can be handled. Only 15 tons can now be carried over the marine railway. This is doubly necessary now because I have been recently advised that there is some difficulty in letting the smaller craft go through the Welland canal. It appears very likely, therefore, that more boats of a heavier type will have to be handled through this waterway. This will mean additional sources of revenue.

I just wish to bring to the attention of the committee the fact that the marine railway cuts down the size of the boats that can be handled because it cuts down the canal to a total length of something like 50 feet long, 13 feet 6 inches wide and 4 feet draft. The rest of the canal has a uniform width of 3 feet and 6 feet draft. Its shortest length is 84 feet and its longest 175 feet, with a draft of 6 feet. Therefore it will be seen that its depth is cut just about 50 per cent when it gets to the marine railroad. In other words the bigger and deeper type of craft are to all intents and purposes prevented from making this trip.

Let us get on with the completion of this waterway. There does not appear to be any further reason for delay in its completion. As I have stated, it is needed economically, especially from the tourist point of view. We have an adverse balance of over $200 million in our tourist trade alone, or just one quarter of our total adverse balance. This waterway should be of incalculable help in correcting this deficiency.

In conclusion may I say there are a few other areas of this waterway in which I would like to see some improvements made. First, I should like to see sewage disposal tanks provided in appropriate areas for the sewage from the boats. Second, there should be a distinctive type of summer uniform provided for the operators, who are doing excellent jobs. As you go through this waterway in the heat of summer you sometimes see those fellows with their shirts off, wearing all varieties of clothing. A man comes along operating a boat and he finds that these men are not wearing any distinctive badges to indicate that they are the people who are operating the Trent canal. Let us dress them up so they will be a good advertisement for the waterway and boat men will know who is in authority. Summer uniforms, a sailor hat—even a little epaulet on the shoulder, would indicate that those men were working for the Trent waterway. The employees on the whole are excellent fellows. They give courteous service. Let us then dress them so the United States tourist going through will give them respect, and they will have the admiration for this country that we deserve. Let us get on with the completion of this lovely waterway, one of the finest, if not the finest, in the world.

I just wish to draw attention to the fact that the Rhine river which runs from Rotterdam in Holland to Switzerland, a distance of 600 miles, carries all the commerce of that particular area. We have not done anything to tap the great potential of this great waterway, one of the finest in the world. Let me put on the record what a very fine boatman of this province thinks about this waterway, a man who has written some books on the subject and I refer to Mr. Ken Wells of Moonstone. He had this to say:

> Entering through locks at Port Severn, into Gloucester pool—Gloucester pool you will not soon forget. It is utterly lovely with high tree-crowned shores and a scattering of rounded islands, through which a well marked channel winds towards a narrowing at its upper end that is again the Severn. The Severn is a river as green as jade, flowing between granite banks that lift in places nearly a hundred feet above its surface. Here, there is a cover and water lilies growing; there, a rock face which you can tie to while you have lunch or dinner. Your river cruise will end at the marine railway, which a penny pinching government has provided instead of a lock, to carry your boat over a powerhouse dam. It will, unless you are prepared to chance a lift, have to be repeated a few miles further up when a second powerhouse dam and a second marine railway will be encountered. If you do not object to this—

Let us get rid of the bottleneck.

(Translation):

Mr. Deschatelets: Mr. Chairman, I followed with a great deal of interest the statement made last Saturday by the Minister of Transport (Mr. Balcer) in introducing the estimates of his department. He did fail to mention a number of subjects and problems of particular interest to the city and port of Montreal, and I shall deal briefly with that in a few moments.

However, I should like first to comment on the program of assistance to shipping and shipbuilding which the minister announced last Friday. In reply to a question put to him on Saturday the minister indicated that in order to provide the funds needed to implement this scheme, the government would resort to the rather unusual method of including an item in the estimates instead of introducing legislation. Furthermore, it would not be an ordinary item, but according to the minister's own admission, a $1 estimate. I feel this is a rather unusual procedure and that such action on the part of the government is to be regretted. Such an attitude is contrary to the procedure traditionally followed in the case of such important subsidies. In any event, I do hope that this scheme will fulfil the aims of the minister and the government in relation to employment and to the restoration of Canadian shipbuilding.

In fact, I use the word "restoration" purposely, because one of the most important shipbuilding firms, Canadian Vickers Limited, is located in my constituency.

In the matter of assistance to shipbuilding, it was about time that the government woke up, because everyone knows that since 1957, the situation has been seriously deteriorating.

Reference was made to that fact in *Le Devoir* of Saturday, May 13, on the basis of information found in the *Canada Year Book*. The paper mentioned that in 1957 there were more than 68 shipyards giving jobs to 18,417 people and paying up to $71 million in salaries with a commercial production estimated at $167 million.

And *Le Devoir* added:

Since 1957, several companies had to close down, and those which stood up and were not stifled reduced the number of their employees by half.

I therefore hope that the several hundred people in my riding who were dismissed from those shipyards since 1957 will be able to find some work again after a four year interruption.

Mr. Chairman, as the representative of a Montreal riding, I had hoped that the minister would mention various significant projects about which we are always pressing him during the question period, on the orders of the day. It seems to me that this was a good opportunity for the minister to let us know the position of the government with regard to various quite important projects and issues concerning the city of Montreal and the south shore. I mean more particularly the construction of a bridge to the east of Montreal, improvements to the port of that city, projects for making use of properties belonging to the Canadian National Railways along the river, construction of an east-west elevated roadway, financial assistance in relation to that improvement as well as other questions with which I shall deal more fully later on.

Let us deal, first of all, with the matter of a bridge in the east of Montreal. Hon. members will remember that we, of the Liberal party, have been advocating this project since 1955 and that at that time, it was being necessarily delayed by the St. Lawrence seaway work and by the beginning of the Champlain bridge project.

On several occasions, namely on March 9, 1959, and on August 29, 1958, as well as in previous years, I have referred to this project for the east of Montreal. My colleague the hon. member for Hochelaga (Mr. Eudes) has also taken every opportunity of dealing with this matter. And now in 1961, after four years under Conservative government, no progress has been made since 1957, even though the situation has changed a great deal; the seaway is completed and work on the Champlain bridge was started a long time ago. In addition, if I am not mistaken, during the last election, all Conservative candidates of the island of Montreal, as well as the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon) and the Associate Minister of National Defence (Mr. Sevigny), had put this project to the foreground of their platform.

Mr. Pigeon: Which project?

Mr. Deschatelets: The project of building a bridge in the east of Montreal. If my memory serves me well, the member for Joliette-L'Assomption-Montcalm had even asked that this bridge, or one of its approaches, be located in his riding.

Mr. Pigeon: Mr. Chairman, on a point of order. I made that request in this house and not during an election campaign.

Mr. Dupuis: There is no question of privilege.

Mr. Pigeon: I made this request when I was asking a question in this house, and the hon. member says that I made it during an election campaign.

Mr. Deschatelets: Mr. Chairman, I ask you to be lenient with the hon. member, because there is no question of privilege. However, he will not have many years to make up for lost time, because he lacks a little experience.

I have here the May 15, 1960 issue of the newspaper *L'Echo des Monts,* in which the previous minister of transport, Mr. Hees, vetoed the proposed building of a bridge in the east of Montreal. Moreover, on February 9, 1960, Mr. Hees wrote a long letter to the mayors of the towns on the south shore of Montreal. I will only read the last sentence of the letter, for it is too long to be read into *Hansard* in its entirety. He concludes with these words:

I therefore regret to have to inform you that I cannot accept the responsibility for that project.

That project being, of course, the building of a bridge in the east of Montreal, which had been promised and in respect of which the Associate Minister of National Defence had said that construction would begin a year or two ago.

Well, Mr. Chairman, that bridge has become an urgent need for the city of Montreal. That is why, in a non-partisan spirit, I should like first of all to ask the Minister of Transport to tell us if the present government is considering the building of a bridge in the east of Montreal. Moreover, I should like to bring to the minister's attention the following fact: The obstacles arising from the works on the development of the St. Lawrence seaway and on the building of the Champlain bridge have now disappeared. And if the Minister of Transport will refer to the correspondence exchanged on this subject in the past, he will see that the matter has become of great urgency.

May I now quote a few words put on the record on June 2, 1960, especially a statement made by the member for Laurier (Mr. Chevrier) who then said:

Let me say a final word about the construction of a new bridge between Montreal and the south shore east of the Jacques Cartier bridge. I have on more than one occasion beginning in 1957 referred to a report which is in the Department of Transport entitled "The St. Lawrence Ship Channel and Montreal Harbour Committee of 1950; Report on the terms of reference thereof". This is a report which dealt with the construction of facilities in the Montreal harbour and east of that harbour that would have to be undertaken following the completion of the St. Lawrence seaway. The report is a voluminous one. I have only the report dealing with one reference but there are four or five references. Somewhere in this report it is stated that a bridge should be constructed east of the Jacques Cartier bridge linking Montreal and the south shore.

Mr. Chairman, before turning to other matters, I ask the minister to reconsider the position taken by his predecessor who had refused to implement that project. I ask him to tell the house that this government intends to start work in the near future on this project which is so vital and urgent, not only for the city of Montreal, but also for the south shore and all the metropolitan area.

Mr. Chairman, I wish now to say a few words about improvements that are urgently needed in the Montreal harbour. I have here an article published in *La Presse* on September 12, 1960. It is entitled:

This stranger, our harbour.

The Montreal harbour has its back to the city and it seems that everything is done to keep the Montreal population away from it, to make it difficult of access, while it is the opposite that is true in all other maritime centres of the world, whether it is New York, Boston, Hamburg, Naples or London. The harbour is a marvellous place to see and it is one of those economic centres for tourists and local citizens to visit.

I find most unfortunate the attitude taken on the matter by the national harbours board. A striking example of this unpleasant and intolerant attitude, is the fact that, early this spring—the minister will remember—fishing was forbidden to my fellow citizens in the harbour of Montreal. Since the beginning of things the people of Montreal, when spring comes, have been going down to the harbour for a little line fishing. There were a few hundreds of them, most of whom could not afford to go fishing outside the city. It had become a tradition. Now about three weeks ago I was amazed to hear that the harbour had been completely forbidden to the fishermen.

I asked the minister at the time to tell us who was responsible for such a silly order, for it was really a piece of stupidity. Fortunately, this regulation was subsequently reconsidered by the national harbours board and anglers were again admitted to the harbour.

Well, let me remind you that in 1956-57, the Liberal administration voted about $57 million for the improvement of Montreal harbour. Projects of unusual importance were carried out, so that Montreal is now the first port of the country. Indeed, Montreal harbour is one of the finest in the world. The

time has come, I think, when after having taken care of the economic aspect of the harbour, we should look to the human side of it.

Last year I made a suggestion to the predecessor of the Minister of Transport in order that the Montreal population and tourists might again have access to the harbour. I had then suggested setting up a small park with benches, on the harbour site, in a word that some section of the harbour be reserved for that purpose, so that people might listen to music and peacefully watch ships coming and going.

One could even think of an observation point such as the ones that were erected when the St. Lawrence project was underway so that people could, from an elevation of about 50 feet have a full view of the port activities. I cannot think of anything better for the younger set. If we proceeded along this line tourists could then be shown the first port of the country, one of the finest and most important in the world.

I therefore suggest to the Minister of Transport that he asks a landscape architect to go to Montreal harbour and consider the possibility of developing a sector of the harbour which would be accessible to the citizens of Montreal and of the surrounding area. I should like the minister to tell us about that later in his reply.

Now, Mr. Chairman, I should like to put my views on the record about the use of C.N.R. properties along the river in Montreal, which the city needs badly for the construction of an east-west elevated roadway.

If I am not mistaken, the Minister of Transport was a member of the government delegation which met the Montreal authorities approximately two months ago. But his comments have been rather scarce since those discussions. We were not told just what went on then and it is only this morning that the Minister of Transport, answering my colleague, the hon. member for St. Henry (Mr. Lessard), told us that four or five weeks ago the authorities of the city of Montreal had sent him a brief concerning the possibility of using that land.

Now, that brief was received five weeks ago by the minister. I feel that we should have been told today what is the government's stand concerning the request of the Montreal authorities. Apparently, the government did as usual and said: "In due time we will let you know", and the problem was shelved until someone brings up the question again. I therefore urge the minister to tell us what stand the government intends to take on the brief sent by the city of Montreal. It is a very important matter, as can be seen from an article in the newspaper *La Patrie* of Sunday, March 12, 1961, which has to do with the construction of that elevated expressway over Montreal harbour:

> Here is a real project fit to be developed immediately, according to our present municipal leaders. All will depend on the co-operation and dispatch of the Ottawa people. So far, there have been only discussions and comparing of ideas about the matter. At present, Montreal harbour holds up traffic a great deal, just as the same situation used to affect New York. They only had to build an elevated roadway over the harbour to relieve congestion in that area.

Just one word now, Mr. Chairman, about another project which indirectly concerns the minister, that is, assistance to the subway. We were somewhat amazed, about a month ago, to hear that the Montreal civic authorities could not find in this country the financial means to carry out that project and had to ask for assistance from abroad. Yesterday, *La Presse* informed us that this subway financing is not easy to effect because of the government and the Bank of Canada policy which bars the entry of foreign capital. That is why I am asking the minister to indicate whether it is the government's policy to check the help coming from foreign capital and if so, where will our municipalities get their financing? I should like the minister to say a few words about this particular project in his reply.

Now, Mr. Chairman, I come to the case of the Soulanges canal. But before I make a few comments on that subject, I should like to quote the following portion of a speech broadcast over CJMS station Montreal on April 20, 1961:

> In other words, it was proposed to create on the doorstep of Montreal—the Soulanges canal is but 25 miles from the metropolis—a genuine paradise, an oasis of fresh air where the less fortunate families who live in greater Montreal could have spent enjoyable hours just by paying a bus fare without the head of the family having to travel alone hundreds of miles to practice his favourite sport, fishing.
>
> That was too nice. Politics and the financial interests of private individuals and groups just had to intervene to bring about the failure of this project which everybody recognized as a great social and tourist enterprise.

Following that letter, I would like to read into *Hansard* in connection with the Soulanges canal project, this letter which was published in the May 8, 1961 edition of *Le Devoir* under the signature of Mr. J. M. Bourbonnais, the hon. member for Vaudreuil-Soulanges. I will only quote the last part of the letter:

Hon. Leon Balcer is entirely willing to transfer the Soulanges canal at the conditions set forth by Hon. Gerard Levesque. Hon. Balcer even offered to let me make that announcement on the opening night of the sports exhibition at the Mart, last March. Therefore, I am the only one who is opposed to the project as federal M.P. for Vaudreuil-Soulanges and I am ready to take all the blame. I have stated publicly my reasons for taking that stand. Just look at the facts, but please, be objective and tell the truth.

That letter was addressed to Mr. Filion of *Le Devoir*. Well, that is an unusual situation. The province of Quebec sets up a vast project and asks the federal government for the transfer of the Soulanges canal at certain conditions. The hon. member for Vaudreuil-Soulanges himself states in that letter: I am the only one who objects at the offer made by the province of Quebec. Therefore, the Minister of Transport is in favour of the original offer.

I would then ask the minister to tell us why the government would yield to the demands of a member—and I do not want to discuss the reasons the member may have to take such a stand—but how can the Minister of Transport abdicate his responsibilities because a member of that area stated: No, I do not want it.

I do not intend either to discuss now the judgment of the hon. member for Vaudreuil-Soulanges. They say he has a very good judgment; I do not question that. But, when the bell rings, it is indeed unfortunate that he should forget it in a drawer of his desk instead of bringing it to the house.

Therefore, I would ask the minister to make some more remarks on this problem of the Soulanges canal, but before he does so, I tell him this: This is mainly a project of provincial interest, and nowadays it is of interest to the whole province.

I warn the minister that the Canadian government must have some really good reasons if it decides to turn down the offer of the province of Quebec and we will expect to be made aware of those reasons. I trust—

Mr. Balcer: Would the hon. member explain what offer of the province of Quebec he is referring to?

An hon. Member: The $1 offer.

Mr. Balcer: Yes, the $1 offer.

Mr. Deschatelets: Everyone knows that the province of Quebec has asked the government that the whole Soulanges canal be transferred to them, including the Cascades area, for $1.

[Mr. Deschatelets.]

Mr. Balcer: Then that was a request, not an offer.

Mr. Deschatelets: I think the minister greatly underestimates this matter, and the letter from the hon. member for Vaudreuil-Soulanges proves it. It is absolutely ridiculous for a member to say about that project: "I object, it shall not go through", when the same member adds: "I am the only one to object".

I leave that project to the minister's consideration and I urge him to raise the matter again in this house because he will hear about it again should the situation remain as is it.

Now, Mr. Chairman, I should like to say a few words about C.N.R. employees. About two months ago, the hon. member for Laurier introduced a motion to adjourn the business of the house, because in Montreal from 200 to 250 C.N.R. older employees were to be laid off, as a result of the sale to the province of Quebec of the McGill street buildings.

There you have another problem taken rather lightly by the minister, supported in that by some of his colleagues, among whom the member for Chambly-Rouville (Mr. Johnson), who said: "It is up to the province of Quebec to give jobs to those people; we have nothing to do with that problem."

Right from the start, we urged the government to make representations to the Canadian National Railways, asking them to keep those older employees and see to it that they be employed in the new building the company will soon occupy. This is the responsibility of the C.N.R. On the other hand the government has the responsibility to see that in a situation such as this, the C.N.R. keep on its payroll people who, otherwise, will be laid off.

Today, we say that "unemployment is everyone's concern". Industries where work is going at a slow pace are being told to keep their employees as long as possible, because unemployment is everyone's concern.

Well, in this regard, I cannot see why the C.N.R., which now has those employees on its payroll, should not keep them because, according to the projects of this company in the new building, it would award contracts for office cleaning, which would mean that those people would be out on the street.

Again, I urge the government to reconsider this situation because the hon. member for Laurier and all the opposition members from the Montreal region are quite sensitive on this matter. I hope the Minister of Transport, in

his reply, will tell us whether a decision has been arrived at, what representations have been made to the C.N.R. and whether there is some hope that those employees will be kept in their jobs.

Now, Mr. Chairman, I would like to deal briefly with another point—

(Text):

The Acting Chairman (Mr. Chown): Before the hon. member moves to another subject, I have to advise him with regret that his time has expired. The hon. member for St. John's East.

Mr. McGrath: I am prepared, if the committee gives its consent, to allow the hon. member to finish his remarks.

The Acting Chairman (Mr. Chown): Does the committee give consent to extending the time permitted to the hon. member?

Some hon. Members: Agreed.

(Translation):

Mr. Deschatelets: I am grateful to the committee for allowing me to continue. I shall not abuse the privilege. I should just like to add a word or two on a point which is of special interest to the eastern section of Montreal. I refer to the old railway lines extending from the old Moreau station, which cross Ontario street, and fan out through eastern Montreal, blocking all traffic north of Ontario street. Of course, I am not criticizing the minister on that score, but I do want to draw the problem to his attention.

First, I would urge him to make a personal visit to this area and have a look at the monstrosity of those old railway tracks which threaten the lives of children and block traffic at all hours of the day, even in the rush hours.

I must say to the minister that the hon. member for Hochelaga (Mr. Eudes) and myself have been interested in this matter for many years, and that we are quite aware that this C.N.R. line is no longer profitable; every year, the line loses many customers, and its only practical use today is for the transportation of oil from eastern Montreal.

I therefore ask the minister to look into the possibility of having those tracks removed and relocated along the port of Montreal, thus clearing up the whole eastern section of the city. Should the occasion arise in the near future, I would ask the minister to consider the matter and let us know in due course what action he contemplates to correct the situation.

(Text):

Mr. McGrath: I wish to say at the outset that like most hon. members from Canada's western and eastern seaboards and from the great lakes area I welcome the recent announcement by the Minister of Transport of the government's new policy with regard to shipbuilding. This will give a new lease on life to the shipbuilding industry in Canada and bring new hope to the hard pressed fishing industry. Like all hon. members who are sincerely concerned about this subject I hope the announcement has come sufficiently early to reverse what has been a dangerous trend particularly in the fishing industry, namely to undertake the construction of trawlers in European shipyards. I hope that as a result of this new policy this work will go to our own Canadian shipyards. Perhaps when the minister replies to the discussion on this, the first item of his estimates, he will elaborate on this point, particularly with regard to the application of these subsidies to coastal shipping, that is to say, the smaller type of vessel which operates in the coastal trade in the waters around Newfoundland and the maritime provinces.

I wish to deal with a subject which, I believe, requires clarification at this time. Perhaps the minister will be accommodating in this regard. I am referring to a question which has been under study now for several years. In fact it has been under study since 1958 or 1959, I am not sure which. I refer to the subject of a passenger-automobile ferry to operate between the east coast of Newfoundland and the mainland of Nova Scotia.

For the benefit of some hon. members it might be worth while explaining that the regular ferry services operated by the C.N.R. between Newfoundland and the mainland cover only the western portion of the island of Newfoundland. It is estimated it will be ten years before any great progress is made toward the completion of the Newfoundland portion of the trans-Canada highway. Arguments have been advanced by competent spokesmen in Newfoundland, including members of the Atlantic provinces economic council, that a new ferry is essential for the economic progress of the Atlantic provinces since it would provide a vital link for approximately two thirds of the population of Newfoundland with the maritime provinces of Canada and, indeed, the rest of Canada. It would enable the people of eastern Newfoundland to maintain regular automobile and truck traffic with the mainland. The arguments in favour of this service are numerous; it is not necessary to go into them all at this time.

I should like to quote an article which appeared in the St. John's *Telegram* of April 25, 1961 and an article which subsequently

appeared in the same paper, issue of April 28, to indicate the uncertainty surrounding this project. As I say, it is supposed to have been under study for the last several years. Here is the news item which appeared in the St. John's *Telegram* on April 25 under the heading: "East Coast Ferry Definite":

> The executive manager of the Newfoundland board of trade said Sunday the federal government has definitely decided to provide an east coast ferry service with the mainland for Newfoundland.
>
> The executive manager said transport minister Balcer had assured him during a recent Ottawa visit that a new ferry would be built to operate from some port on the Newfoundland east coast.

A little later on the report says:

> Mr. Balcer had announced several months ago that a government committee was studying the possibility of providing Newfoundland with such a ferry service.

Mr. Winch: May I ask if there is anything in the estimates of the department for this project at the present time?

Mr. McGrath: No; not to my knowledge, at any rate. Then, on April 28, 1961, there appeared in the same paper an article entitled "Ferry, yes? Ferry, no?". It says:

> Transport minister Balcer said Thursday the question of a ferry service linking the east coast of Newfoundland with the mainland "still is under study".
>
> He declined to confirm or deny a report from St. John's that said he has assured a board of trade official the service would be established.

I will continue the quotation:

> Anthony Ayre, executive manager of the Newfoundland board of trade, was reported to have said in a radio interview recently that Mr. Balcer had told him there would definitely be such a ferry service.

Mr. Chairman, I shall not present any further arguments either pro or con in respect of this proposed service, but I should like to inform the minister that the municipal council of the city of St. John's, as well as labour and service organizations of Newfoundland, would be very grateful to the minister for some indication as to government policy in this regard. If it is intended by the government to provide such a service then, of course, the question in everyone's mind is, how long will the study take? I am sure all my constituents, as well as hon. members of this committee, are anxious to know what the results of the study will be, and whether or not the government will decide to provide this ferry service. From indications to this date, it is my understanding that the government will provide this service, but there has been no definite statement made in the last few years.

Mr. Chairman, I should also like to bring to the attention of the minister, at this time, as I did last year in this committee the situation regarding the ever growing marine services division of the Department of Transport. I should like to refer particularly to the inequities which exist between the rates of pay to personnel manning ships in the Newfoundland agency, the maritimes agency, the Quebec agency and the British Columbia agency. I understand these rates of pay are determined by the Department of Labour, on the basis of prevailing rates for similar types of jobs in these areas. The situation is, however, anomalous in that seamen and officers working on Department of Transport ships operated by the Canadian National Railways receive the same rates of pay as their counterparts in other parts of Canada.

On the other hand, seamen working on ships operated by the marine services division receive varying rates of pay depending upon the area in which they work. As an example of this situation, seamen working in Newfoundland on Department of Transport ships receive $185 per month, although I understand this has now been raised to $200 per month. Their counterparts, working on similar ships, performing similar duties in the maritime provinces, receive $229 per month, plus a $5 per month stevedore allowance. I am not sure of the prevailing rates of pay in the Quebec agency, but it is my understanding that they are higher yet. I suggest this inequitable situation should be corrected. I feel a Canadian seaman working on a Department of Transport ship operating off the coast of Newfoundland should receive the same rate of pay as that which applies to a Canadian seaman working on a Department of Transport ship under the maritime agency, the Quebec agency, or the province of British Columbia agency. These ships are all operated by the federal government of Canada, and the same rates of pay should apply throughout the country. I am sure the hon. members of this committee would be interested in hearing the minister's comments in this regard.

I should like to compliment the minister and his department for the excellent work which has been carried out during the past winter and spring in an attempt to cope with the extraordinary ice conditions which prevailed along the coasts of the Atlantic provinces. The ice conditions existing off the coast of Newfoundland were worse this past season than they have been during the last 10 years. The provision of the two new icebreakers—the *Sir Humphrey Gilbert* and the *Wolfe*—has been of great help at a very opportune time. I should hate to think what the consequences might have been during this past winter season were it not for the provision of these two additional icebreakers.

The situation in my constituency has been very difficult, and it is still uncertain whether the ice has actually gone out.

The Bell island-Portugal Cove ferry service was particularly hard hit this winter as a result of ice conditions. But for the provision of these two new icebreakers, the unfortunate people of Bell island would have been isolated, and would have suffered great hardships as a result of the lack of daily supplies.

I should also ask the minister to indicate when he expects to bring forward legislation setting up the St. John's harbour commission to administer that very important harbour which is now under development by the Department of Public Works.

Mr. Chairman, I should like to have the opportunity, when we are considering the various items of this department, to ask further questions of the minister concerning the jurisdiction of the Bell island ferry service. I suggest there should be some definition brought forward by this government regarding the operation on this service of a ferry which is owned by the federal government, but which operates under provincial franchise. There have been many difficulties resulting from this situation, but I do not intend to burden this committee with them at this time. I ask the minister to give this situation consideration in the preparation of his reply, and to indicate the steps which have been taken toward the solution of this situation regarding the jurisdiction of this service, so that the service can be properly operated and provided with federal subsidies if they are required—as in other provinces.

Mr. Granger: I should like to congratulate the minister on his appointment. I have two of the largest airports in Canada in my riding, namely Goose and Gander. Coming from the Atlantic seaboard where sea transport is so important, I have a particular interest in the estimates of this department. Before going any further I should like to express my appreciation of the interest which the minister has taken in communications on the Labrador and of the steps he is in the process of taking to provide better communications on that coast. I should like to assure him that the service thus provided is out of all proportion to the cost involved, and that a vital service to isolated areas will be supplied by those additional radio telephone sets.

While speaking of communications, I should like to mention as well the good work which Canadian National Telegraphs have done. In saying this I should mention that over the years since Newfoundland entered confederation they have extended a better service to parts of my district. I should like to emphasize the necessity of expanding the program so that all the places which have an indifferent service, such as parts of Green bay and White bay, may in time and before too long have a better communications system and long distance telephone connections.

My hon. friend from St. John's East mentioned icebreakers. I think I should also make a comment about the icebreaker service in Newfoundland. It is only fair to say that this year ice conditions were entirely unusual. I realize the department cannot build a fleet of icebreakers to take care of an unusually bad year. In normal years some of them would be lying up. I think every reasonable person would agree with this statement. But the presence of a Russian icebreaker off the Newfoundland coast, and this icebreaker flying in men by helicopter to kill seals, should be an indication to us that it will be necessary in the future to supply icebreaker support to the sealing fleet. I believe that as much as possible this was done during the past season. As I said, this year was a most unusual one. The ice was exceedingly heavy and covered exceedingly vast areas; but for future planning the use of icebreakers in conjunction with the sealing fleet should be kept in mind because, as I said, the presence of a Russian icebreaker off the coast of Newfoundland is a sign of the times which none of us can afford to ignore.

Again, I think icebreakers should be utilized to extend the periods of service of the Canadian National coastal boats which serve northern Newfoundland and Labrador. Those boats have given an excellent service, but the period of operation is restricted. There is a growing feeling that, with the availability of icebreakers, in normal years the period of operation of C.N.R. boats should be extended. I said a moment ago that the service which the C.N.R. coastal boats has given is excellent; but in the late fall it does not appear to be adequate for the great northern peninsula or Labrador. It has been suggested that instead of steamers leaving St. John's and/or Lewisporte and making a trip right around the northern part of the island to Corner Brook and then back again, it might be an improvement if the ships sailed from Corner Brook and St. John's and met at St. Anthony or Cook's Harbour and then returned; in other words, if this long run were split up into two return trips. One ship would leave St. Anthony and return and the other one would leave Corner Brook and return. People in that area have suggested that. I am not an expert on these matters but I should like to pass along the suggestion which has been passed along to me.

Then there are a number of small items which I think could be looked into such as hand trucks and so on being supplied to the wharves in Newfoundland and Labrador at different ports. What I should like to speak about particularly, however, is the situation in which the town of Gander finds itself today. Gander grew around the great Gander airport, the airport which really gave Canada international status in air commerce. When we entered confederation and Gander became part of Canada the position and the bargaining power of Canada as a nation with respect to commercial aviation were enormously strengthened. Gander was developed and in time a modern town grew up around a really fine airport, and eventually a really splendid terminal was built there. In addition Gander airport has navigational facilities and other aids to air transportation which are as good as those of any airport in the world. It is a truly great and magnificent airport.

Trends in air travel during recent years have tended to make Gander an alternative rather than a regular stop in trans-Atlantic travel, for fewer and fewer air lines stop at Gander as a regular course. At the moment I do not think there are any air lines which make it a regular scheduled stop other than Trans-Canada Air Lines. When an airliner leaves New York now, say, for Europe, instead of making Gander an alternative they choose to make Goose an alternative stop. As hon. members know, Goose is a great military airport. Air transport now has a tendency to stop at Goose where it is not wanted instead of at Gander where it is needed. I think one of the reasons for this is that at least one if not two of the runways at Gander should be lengthened from the present length of 8,600 feet. In marginal weather pilots like a little longer runway. In good weather the runways are, I believe, considered adequate; in marginal weather they are not. If the weather is marginal and the pilot feels he cannot make the trip across the Atlantic without needing more fuel he has to decide whether to land at Gander or Goose, and he decides in favour of Goose and Gander is deprived of that much revenue. I have felt for a long time, and I have made the suggestion here before that it would be a sound investment if the Department of Transport added another thousand feet to one or better still to two of the runways at Gander. It is I think fairly evident, at least according to the information I have received, that with longer runways the Gander airport would be used more.

The investment which the Canadian government has in Gander is quite heavy. The investment which individuals who live in the town which grew up around the airport have in Gander is considerable. I am told that at the present time there are 20 houses for sale in Gander and that in the near future there will probably be 20 more. The people of Gander are really concerned about the future of the place. My own opinion is that Gander is going through a temporary period of low activity. I rather think, and this again is a personal not a professional opinion, that as time goes by and there is a growth in air freight and an enormous growth in air travel, Gander will again come into the picture. I am referring, of course, to a growth in air tourist travel which, I understand, is the bread and butter of the passenger carrying commercial air lines.

In the meantime, there is a considerable amount of uneasiness. I am bringing this matter to the attention of the minister in the hope that, at the appropriate time, he can make a statement outlining what he believes to be the future of Gander. It has been suggested that, with the growth of air freight, Gander might become a transfer point for air freight. This freight would arrive at Gander in one type of plane and be transferred to a different type of plane for carriage to Europe. If that occurred, of course, it would be a very welcome development. I would ask the minister to bear this in mind as well.

A suggestion has been made that Gander might be declared a free port in order to make it more attractive for air travel. This is one suggestion that has been brought to the attention of the minister and his colleague the Minister of National Revenue. These are some of the things which I feel should be given careful consideration because a lot of people depend upon this airport for their living and they hope to be able to remain there. Gander was born of aviation and it seems to me that for the present, it must live by aviation. I ask the minister to look into this problem, which is a very real one: what is the future of Gander? Are developing trends in aviation likely to bring business back to this airport? Will fewer of these air lines use New York, which is becoming crowded, and instead take off from points on the mid west and perhaps stop at Gander before going on to other parts of the world? These are some of the questions which the citizens of Gander are asking themselves today and which I, on their behalf, pass on to the minister in the hope he can let us know what is likely to happen to this airport.

There is another matter in connection with Gander that I should like to mention. The hunters like to come from the United States to hunt in central Newfoundland. When there was a direct service from New York into Gander, more of them came than is now the

case. I understand, unless there has been some change recently, that in order to get to Newfoundland from New York you have to go to Montreal. This is quite an expensive route. Perhaps the minister could keep this problem in mind and consider the possibility of having an air service which would link the east coast of the United States with Gander rather than routing such traffic via Montreal.

Despite the size of Gander and despite all the facilities which exist there, it is a part of the Atlantic region, if that is a correct term, of the minister's department. There have been suggestions, and I might say that I believe they are justified, that Gander should be a region by itself. In this way the officials at Gander could communicate directly with Ottawa with regard to the main problems which they have. As I said, at the present time the employees of the air lines are being transferred. There are only a few of them left. There are fewer scheduled flights going into Gander and there is a feeling that perhaps Gander does lack security. However, I am an incurable optimist and I feel this is a temporary period of low activity which new trends developing in aviation will correct. I would hope that for the sake of the people who have their life savings invested in Gander, as well as for the sake of the government which has a considerable investment there, the minister will be able to give us an assessment of the future of this airport. Perhaps I might express the hope that it would be a favourable one. However, it is more important to know the facts.

I might add that the new hotel at Gander is a great asset. If direct flights into Gander are resumed, this could very well be a tourist centre and perhaps a place where business conventions would be held. We seem to come back to the same point all the time, that Gander depends on the airport. We have a magnificent airport with magnificent facilities, and I do hope these problems receive the careful, sympathetic and effective attention of the minister and his officials. There is much at stake, both from the standpoint of dollars and cents and from the standpoint of the people themselves who have a great stake there.

In closing, I should like to mention also that the development of Labrador will depend to some extent on the construction of small airports. This is the case in northern Newfoundland as well. From time to time I have had occasion to write the minister about the needs of my area in respect of airstrips. I hope to continue to do that. I shall content myself by asking now for sympathetic consideration of the need for airstrips to aid development in the north.

(Translation):

Mr. Pigeon: Mr. Chairman, I should like to deal for a few brief moments with the relationship of the Bell Telephone Company of Canada with the board of transport commissioners, with particular reference to a question directed to the Right Hon. C. D. Howe in 1938, when Mr. Howe was minister of transport. As reported on page 935 of volume I of *Hansard* for the 1938 session, here is the statement made by the Hon. C. D. Howe in reply to a question from an hon. member:

> We must all recognize that the Bell Telephone Company has a monopoly of a great public service in the districts in which it operates, and it is entirely sound government to provide that a public service monopoly shall be regulated as completely as possible.

The Bell Telephone Company has not even invented the automatic telephone. It has had to pay constant royalties to use it. It is inconceivable that this firm should be vested with such arbitrary and uncontrolled powers and should be able to blow hot and cold across the country, force its decisions upon any area, double the cost of service, take money from one profitable district and use it to destroy private companies providing equal and often better service. That is the purpose behind the rising rates, and no matter what we are told, no federal or provincial board can order the company to service any particular territory, or to substitute such a service for another; the board of transport commissioners has become a mere rubber stamp, it is used to condone rates on the basis of figures submitted by the Bell Telephone Company of Canada, and does not even have the authority to scrutinize the amounts paid to Northen Electric, which is 90 per cent controlled by Bell Telephone.

Here is a quotation from a speech made at one time in this house:

> The part played by the Western Electric Company, Incorporated, in its relations with the American Telephone and Telegraph Company, is similar to the part played in this country by the Northern Electric Company in connection with the Bell Telephone Company of Canada.

The board of transport commissioners has to accept the statements of profit and loss as submitted, and cannot go beyond that.

The charter granted in 1880 provided that the company was to service all of Canada. It was soon realized that the company was not interested in going outside profitable centres such as Quebec and Ontario. A little later, an amendment was made to the company's charter, and with the approval of the house, it was decreed that the company could go here and there across Canada.

The letter of the constitution was complied with, but only one company was granted the largest monopoly of public utilities and finance that could possibly be conceived in North America and in the world.

The company can now disregard the population and even the governments. As long as its public relations are running smoothly with plenty of dollars, the company thinks it can do anything it likes and is justified legally in doing so, as a result of its 1880 charter and of its ever increasing powers. Capitalization has now reached $1 billion.

If you refer to the epic and so justified struggles of the year 1902 and other periods, you would think they took place in 1961. At the time, 22 years after the company was set up, such abuses were pointed out and criticized in this house and in the other place. The Toronto board of trade then came to the defence of the Canadian people. If we look over the record for that period, we note that the company suggested that the subscribers were cry-babies. Who is right today?

Here are some concrete results:

(a) The board of transport commissioners has no authority whatsoever over the Bell Telephone Company of Canada, except as far as rate increases are concerned.

(b) The provinces have no jurisdiction.

(c) This is a tremendous game and the same club is always on the winning side, namely the Bell Telephone Company of Canada, while it keeps on saying in a paradoxical way: "At your service".

The company can even go as far as claiming with impunity—and with legal justification—that it has the "absolute" right, without any restriction whatsoever, to build, erect and maintain its telephone lines along, through or on all highways, streets, roads, bridges, waterways or other such places, located in Canada.

I should like to point out to the house certain obvious results: The company divides arbitrarily the territories within a municipality, thus showing discrimination and spreading discord among local citizens, as is the case throughout central Ontario and Quebec.

The company takes pleasure in waiting that all development is completed in a given area, be it in the vicinity of Montreal, Toronto or Hamilton, and coming in afterwards in order to collect the revenue of communications by making all kinds of imaginary drawings, circles, or zoning, and nobody, neither the board of transport commissioners, the Ontario service commission nor the public utility control board of the province of Quebec, can say anything.

When the company decides to strangle a competitor or a territory, everybody has to kowtow to it.

An investigation would show readily how many federal services are stifled by this company. It must be realized that the railways which are entitled to operate in the field of telephone communications, are the first to suffer from the control of the Bell Telephone Company and eventually the Canadian taxpayers must suffer the consequences while the company reaps high profits by charging rates that are becoming prohibitive. And such is the situation, Mr. Chairman, since the Bell Telephone Company of Canada has had its charter.

You should take a look at the spider's webs interwoven by the company so as not to lose the significant profits arising from long-distance calls of people who have common interests with a large city like Toronto or Montreal. I will let my colleagues from Toronto give their examples, but we have pleasant ones around Montreal. In fact, you can phone directly from Saint-Mathias to Montreal, by-passing Chambly or Longueuil, without having to pay any long distance charge, but if you phone to Chambly or to Longueuil, which is on your run, you are charged the famous long distance duty.

Also, if you go over the statements made by the company before the committees, here in Ottawa, you will see that the company easily solves any problems. Indeed, when parliament refused to grant an increase in the registered capital of the company which would have made it possible to buy other companies and to charge the expense to the subscribers of other areas, bringing about an inevitable rise in rates, you will note that two different answers covering the same period are given by the company. On Thursday November 28, 1957 the company stated here in Ottawa that, during a given period, it has taken over 40 companies, of which 17 were subsidiaries. It protested against intending to control the market. Now then, in a letter and a brief dated August 7, 1958, having forgotten, too soon perhaps, its previous testimony, the company writes unhesitatingly that it has purchased 150 independent companies and bought part interests, in 29 others, during the same period of 1957. Quite edifying indeed.

An investigation would also enlighten us on the underhand dealings going on in Fort William and Port Arthur where the telephone utility, which is adequate and controlled by the municipal authorities, is constantly assaulted by the company.

An investigation on the dealings of the company in Dryden could enlighten us on the usefulness of the expenditures which were made. The same applies to a great number of areas. Only an investigation that would compel the company to appear before a committee of parliament would inform the population.

The company complains of having to support substantial development expenditures. An investigation would show whether the people from central Quebec and Ontario, especially where the telephone service is inadequate, are not paying for the invasions of the company.

The activities of the company in respect of the council of Jaffray-Melick, in Ontario, where the company set up lines without asking permission, should also be investigated.

We should also investigate and find out whether the profits of the company are not swallowed up by Northern Electric.

A quick survey around Montreal, Toronto and other large cities would reveal that the subscribers at Ste. Martine, Howick, St. Urbain, and a good many localities barely 30 miles from Montreal, are still using manual telephone sets in this the twentieth century. The issue was raised by Montreal newspapers, especially by *La Presse*. And how is the company operating where it will not even give adequate service?

Let us compare the revenues derived by the city of Kenora from its 4,000 long distance telephones—the Bell Telephone Company being excluded from that district—with the ones the city of Fort William or Port Arthur gets with more than 18,000 telephones, in an area covered by the Bell Telephone Company.

Let us read once more Arnold Edinbourgh's special report in *Saturday Night* on the waste of money involved in the construction of the mid-Canada line. You will see that the building company was the Bell Telephone Company and what a deadly feud developed between this company, converted all of a sudden into a contracting company —which is a line quite removed from its own—and the specialized services of the army and air force. An inquiry would perhaps disclose what objectives the Bell Telephone Company had in mind. Hundreds of millions of dollars were wasted.

What is the Bell company doing in Fort Francis, Ontario where each side of the streets is provided with a double service and where the calls are long distance calls even between citizens of the same area or community?

Since it is impossible to operate a school bus without permission from a provincial board; since all public services, are supervised and controlled by government agencies, whether it be shipping, air transport, radio or communications, it is unthinkable that there should be nothing of the sort for the Bell Telephone Company which hangs on to an 1880 charter giving fantastic power in 1961.

The Canadian Independent Telephone Association is a responsible organization with members all over Canada. At the October annual meeting in Toronto, a resolution was passed appointing a committee of three members one of whom is Mr. G. Laganiere. That committee is preparing a brief asking outright for a revision of those obsolete laws which today are complicating things, and requesting that the government give full and total jurisdiction to the board of transport commissioners for Canada.

We have had enough of such arrogance.

Public interest requires that such legal status be ended, certain powers were given this company for the benefit of Canada as a whole. For a long time now, it has not been discharging its duty to this country. It has not even been discharging it in Quebec and Ontario, except in larger centers. Even today, it neglects less profitable territories, even around large cities, in order to increase its revenues from long distance calls in the far north, knowing that other companies are operating there.

The Quebec and Ontario independent companies, whether private or municipally-owned, operate about 700 centrals and the Bell company 7,400. The telephone systems in British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland are independent from the company. The legend of the big company has lasted long enough. It left Alberta in 1906 and Manitoba in 1908, and it never existed in the other provinces. So, for a long time it has not been working "for the benefit of Canada" as a whole. The time has come to have this situation reflected in the law of the country and to restore some order in that field. Let us not forget that in 1885, the act protecting the Bell company was repealed for a time, and for a very simple reason: resentment had been stirred by the

company's tardy progress in supplying the smaller rural and urban centers with the telephone. All the more reason then for this company today to busy itself improving such services as exist presently, and it will have enough to do. We might get better rates then and not be left any more at the mercy of that company.

Mr. Chairman, I have always been against public ownership. I would oppose the nationalization of that company, but I ask the government to consider the possibility of modifying the act so that the Bell Telephone Company of Canada may respect a little more the regulations of the board of transport commissioners and not act just as it pleases; it would be in the general interest of Canada as well as in the interest of those other companies to which I referred a moment ago.

Mr. Chairman, I am going to refer to the municipality of Repentigny, a progressive city located in the riding which I have the honour to represent here. I can assure you that the citizens of l'Assomption riding, including those of Repentigny, are disgusted with the treatment they got from the Bell Telephone Company of Canada.

That company had known for a number of years that Repentigny, due to its geographic location, would become the most important suburban municipality immediately east of Montreal, on the north shore of the St. Lawrence.

Now in order to show to what lengths arrogance and despotism can go, let me say that the island of Montreal is almost perfectly oval. The island then is not circular. It has always been known that the suburban development is taking place around Montreal island, in municipalities connected with the island by the banks of the different rivers.

The Bell Telephone Company of Canada, in its offices on Beaver Hall Hill in Montreal, has outlined circles in its plans, probably with pencil and compasses, without considering the growth of those centers or the movement of the population. So the directors of this company made three circles there, with their compasses. This plan has become a holy document. Never mind the representations from the citizens of Repentigny. As a result, the telephone service developed according to a circle instead of an oval. I will spare you all other vexatious incidents in the building of the telephone exchanges and the whole history of the famous 15 mile radius.

Thus, the municipalities of St. Anne de Bellevue and of Repentigny, each at one end of the oval, are not inside the circle of direct communication with Montreal, said in unequivocal terms the officials of the company. Then started the fight over the telephone exchange. If the exchange were built within 15 miles from the compass point, which is at Beaver Hall Hill, my constituents could have direct telephone communication with Montreal, without having to pay long distance charges. Statistics show that the revenue from long distance calls adds up to an imposing figure.

The company bought a first piece of land, again outside the famous 15 mile radius. It bought a second piece of land, again outside the 15 mile radius. Carelessly as if to settle the case, the company without any hesitation even violated the municipal bylaws concerning town-planning, as well as construction and zoning bylaws, and even undertook construction and excavation in a residential zone without securing any permit from the municipal authorities of the town of Repentigny. A company executive even said that he did not give a hoot.

The municipal council, which I wish to commend and congratulate, an energetic and resolute council, supported and helped by the continued efforts of the chamber of commerce and other organizations, with the authority of its municipal bylaws and knowing well that no one in the country had any jurisdiction in that field, forced the officials of the Bell Telephone Company to stop the work already started without the consent of the municipal authorities.

I am glad, Mr. Chairman, that for once somebody dared raise his voice and resist the officials of that company which tries to dictate, without the slightest tactfulness, its own views to the Canadian people, including the people of Ontario and Quebec as well as those of Repentigny.

The citizens of Repentigny launched a great movement of national interest with the support of newspapers such as *La Presse*; they were everywhere at the same time demanding for the sake of justice and common sense, a complete revision of all acts concerning the Bell Telephone Company and asking the establishment of a royal or parliamentary commission.

The company developed some kind of service never heard of, I think, in North America, and odd to no end, probably in order to save face. At home it is called "one and a half direct service with Montreal". One may place a call from Repentigny, St. Anne de Bellevue or Belœil with Montreal without long distance

call charges, but whoever wants to place a call from Montreal to any of those places must put through a long distance call. The company saved face, but it also increased its revenue from long distance calls.

In all this, believe it or not, no controlling body or commission has any jurisdiction over the decisions of the Bell Telephone Company. In fact, it does as it pleases. Mr. Chairman, can you imagine such arrogance and such disorderliness? As I said, no one has any jurisdiction. The 1880 charter is invoked. The Bell Telephone Company can do as it pleases. It can deny the residents of a given area the telephone service if it so wishes, even if the whole population asks for it.

I therefore urge that the act be amended. No one will have any cause to complain since all public utilities in the world come under the control of an administration or a commission. That way, we would do justice to the Canadian people and do away with a monopoly that everyone disapproves.

Mind you, Mr. Chairman, I am in favour of private enterprise. I would be against nationalization of the Bell Telephone Company of Canada. On the other hand, we must recognize that that company treats its employees well; they are well paid. But I urge that the company be subject to the necessary requirements. And following all the quarrels between those concerned, the municipalities and the Bell Telephone Company of Canada, I submit that the best way to settle that problem would be to amend the act in order to compel the company to follow the instruction of the board of transport commissionners, just like transport operators and others have to obey their control regulations.

(Text):

Mr. Tucker: I do not intend to speak at any great length, but I feel I should say how pleased I was to hear the Minister of Transport announce last Friday that the Department of Public Works would construct for the Department of Transport at Clarenville, Newfoundland, a marine haul-out and fitting-out wharf. This, the minister said, will permit the inspection and repair of ships up to 500 tons. I am sure that this release was welcomed not only by many of my constituents but also by many coastal boat owners in Newfoundland. I hope the haul-out at Clarenville will be so successful that the government will take steps to construct a similar one at Harbour Grace, Newfoundland.

I wish to make a few remarks at this time about some matters which are very important as far as the advancement of Newfoundland is concerned. Last year, speaking on the estimates of the Department of Transport, I made reference to the inadequate hotel accommodation at St. John's but to date there has been no improvement. As the Minister of Transport is aware, St. John's is the eastern terminal point of the Trans-Canada Air Lines, the trans-Canada highway, the Canadian National Railways and the Canadian National Steamships. It is also the terminal point of the Canadian National Railways Newfoundland services. We have very few modern hotels in St. John's. The largest is the Newfoundland hotel which is owned and operated by the Canadian National Railways. This hotel is not large enough to take care of the requirements of the people of Newfoundland, much less those of the travelling public from the Canadian mainland, the United States and Europe. The Newfoundland hotel does not provide sufficient facilities for the holding of conferences, conventions, dinners and so on. As a result, many of the functions which would otherwise be held in St. John's are held in some other city or town on the mainland.

In 1958 the Newfoundland hotel operated, after interest and depreciation had been allowed for, at a net profit of $153,224 and in 1959 it operated at a net profit of $152,039, making a total profit of $305,363 in two years. Last year again the hotel operated at a profit. We have heard a great deal in this house recently about tourism and our tourist trade especially when we were discussing the estimates of the Department of Northern Affairs and National Resources. We heard much of the importance of learning more about and seeing more of our own provinces, yet we are unable to get the Canadian National Railways to improve conditions in the capital city of St. John's which has a population of more than 80,000 within a few miles radius. I believe the present minister is well aware of the existing conditions, but if he is not I suggest he visit the hotel and then take advantage of his trip to visit some of the other towns in my riding where he spent some time during the second world war and where, I am sure, he will receive a royal Newfoundland welcome.

As far as trade is concerned, historically, Newfoundland has in the past looked eastward to Europe rather than to the North American continent. Prior to 1949, the date of our entry into confederation with Canada, we sold our fish in the Mediterranean markets and the bulk of our imports came from Europe and the United Kingdom. These imports entered Newfoundland through the port of St. John's which was the main distribution centre for the province. A portion of the imports was consumed in St. John's and the

surrounding area and a great deal of the remainder was transported to coastal communities in small coastal vessels and privately owned schooners. Only a small part of this merchandise was carried westward overland by rail. The Newfoundland Railway was built mainly for passenger service and to handle only a small fraction of our imports and national trade. Newfoundland is today Canada's third largest customer. The province purchases about $300 million worth of merchandise yearly from the mainland, mostly from central Canada. Since 1949 the old trading pattern has been reversed. Confederation made Newfoundland a captive market and the bulk of the goods now entering Newfoundland comes from mainland Canada. The western terminal of the Canadian National Railways is at Port aux Basques but very little of the freight remains there. Most of it is loaded on the Newfoundland Railway and the greater part is transported across the 547 mile stretch of railroad to the eastern terminal at St. John's. The population of Newfoundland has grown until it is now around the half million mark and it is about three times larger than it was when the railway was built. This growth in population has in itself increased the amount of freight to be handled.

The Newfoundland Railway was built to meet conditions which existed prior to Newfoundland becoming a part of Canada. The C.N.R. has renovated the Newfoundland Railway and tried to modernize it in the hope of enabling it to carry the additional load which is now about ten times as great as when the railway was built. The plain fact is that this cannot be done satisfactorily and money spent in this way is not being spent to the best advantage having regard to the future requirements of our people and the quality of service which they have a right to expect. What is needed is a completely new system of rail transportation. This should include the replacement of the present antiquated system by a system of standard gauge the same as is provided for every other province in Canada. The Prime Minister said in 1957 when he was in St. John's that he favoured a standard gauge railway for Newfoundland, according to a report in the Toronto *Globe and Mail* of April 16. I should like to quote the statement made at that time by the Prime Minister, reported in the Toronto *Globe and Mail* of April 16, 1957, as follows:

> **Newfoundland's narrow gauge railway should be converted to the standard gauge because the present line retards development, adds to the cost of transportation and therefore makes it more difficult for Newfoundland industries to compete in domestic mainland markets on the same basis as other provinces.**

[Mr. Tucker.]

Those were very true words on the part of the Prime Minister. They have not been denied, and I should suggest that if he meant what he said, surely the time has long since passed when definite action should have been taken. I am sure the residents of the province of Newfoundland would appreciate a statement from the Minister of Transport in this regard.

Last Friday the Minister of Transport made a statement regarding government policy in respect of the Canadian shipbuilding industry, and said that subsidies of 40 per cent of the cost of building Canadian ships in Canada, other than fishing vessels, would be paid. This subsidy would be continued for three years, to March 31, 1962, and then reduced to 35 per cent of the cost. He also stated that a capital subsidy of 50 per cent of the construction cost would be paid in respect of steel hull trawlers, with special assistance of $250 per ton to be paid toward the cost of wooden fishing vessels over 45 feet in length. We in Newfoundland should like to see a subsidy paid in respect of boats 35 feet in length and over, and I would appeal to the minister to give consideration to this suggestion.

In 1958, 37,841 passengers were taken between the mainland and Port aux Basques. In 1959, there were 58,434 passengers carried on this same trip and in 1960 there were 62,011 passengers carried. In other words there was an increase of 24,170 in the number of passengers carried between 1958 and 1960 on this route.

In 1960 there were 11,652 passenger automobiles carried, which was an increase of more than 3,600 over the number carried in 1959. Approximately 300 more autos were handled last year under the freight plan than during the previous year. I suggest it follows naturally that many of the passengers in these cars motored to St. John's, the capital of Newfoundland, and I further suggest this points out the urgent need for additional freight and passenger service between the mainland and the east coast of Newfoundland. This subject was mentioned this afternoon by the hon. member for St. John's East, and I offer my support of his suggestions in that regard.

At the present time, the Department of Public Works is improving the harbour facilities at St. John's, and I would suggest that a passenger, passenger car and freight ferry service could be established there without any additional cost for landing facilities. It is my opinion that this ferry service should operate from St. John's to Halifax because of the tremendous benefit to be derived therefrom, in that tourists would certainly take advantage of such a service. I understand the

Department of Transport has this matter under study. As a matter of fact, the minister at page 4282 of *Hansard* for May 3, 1961 is reported to have said:

—in reply to the second part of the hon. member's question I cannot say at the present time when it is expected that the study will be completed.

I should hope that before much more time elapses the minister will make an announcement indicating that such a service will be provided.

The minister will recall that I made an appeal to him on several occasions during the months of March and April of this year regarding the provision of icebreakers to assist the sealing fleet operating off the northeast coast of Newfoundland. That fleet consisted of five vessels; four from Newfoundland and one from Nova Scotia. The assistance was urgently needed because an attempt was being made at that time to revive the sealing industry in that area, and it was felt at the time if this effort failed the industry in that area would be finished completely. To prevent the failure of this operation it was necessary for icebreakers to assist this fleet in penetrating the ice to the seal patch. Unusually severe ice conditions prevailed and these ships were at a disadvantage to the Norwegian ships and a Russian icebreaker. Experience has shown that our ships, though small, are sufficiently able under normal ice conditions to carry out this sealing operation.

The department supplied icebreakers enabling the sealing ships to get to open water off St. John's harbour early in March, shortly after they began their voyage, but the minister indicated that his department was unable to supply icebreakers to enable the sealing ships to reach the patch of seals. Consequently the seal hunt this year was almost a complete failure.

I should like to read an article which appeared in the St. John's *Daily News* on May 4, 1961 under the heading: "Better Sealing with The Breaker":

Captain Peter Troke of the sealer *Arctic Eagle*—

The ship was renamed. She was the *Kyle* when owned by the Department of Transport. The article continues:

—has said that if the Newfoundland sealing vessels could have had the services of a federal icebreaker for a longer period at the beginning of the sealing season in early March, the results of this year's hunt would be much better. The sealing fishery was a failure.

The *Kyle* was successful in docking at Bay Bulls yesterday after a month at the ice during which time she managed to take only about 2,000 pelts.

I suggest the minister should do one or both of two things regarding this situation. First, he should change the government's policy to enable this kind of assistance to be given to the sealing industry and build additional ice breakers for this purpose; second, provide special assistance under the new shipping policy regulations for the construction of ships that can be employed both at the seal fishery and in the coastal trade as well, because the seal fishing is only for a few weeks' duration. If icebreakers are provided for this purpose, I should suggest to the minister that a sealing captain be provided to assist the regular captain while breaking ice for the sealing fleet.

I can appreciate the difficulties which face the minister with regard to providing assistance this year, but in view of the circumstances which existed on the east coast of Newfoundland, I feel the department should have made special arrangements to assist the five Canadian vessels at the beginning of this sealing hunt. The individuals who initiated this attempted revival were the very courageous owners of the ships, and faced the possibility of having this industry taken over and operated by ships of foreign countries. I should be grateful to the minister if he would indicate why icebreakers could not be provided to this Canadian sealing fleet at a time when they were only ten miles from the sealing patches. If such assistance had been provided this seal hunt would not have failed, as it did.

In closing, I wish to offer my congratulations to the minister in his appointment to this very important portfolio, and to thank the minister and his officials, including the officials of the Canadian National Telegraph Company, for their help which has been readily extended to me in regard to problems concerning this department.

Mr. Jung: Mr. Chairman, before I begin my remarks may I also extend my congratulations to the minister on the assumption of the very heavy and responsible portfolio of Minister of Transport. Those of us who have come to know the minister have been impressed by his sympathetic interest and by the courtesy which he has shown to the private members, and we all wish him well in his new duties. I want to assure him of our co-operation.

Last year his predecessor invited a number of members of parliament from the east and west coasts to a meeting in Ottawa in connection with the establishment of a coastguard service. Representing as I do a very important seaport, I took advantage of the minister's invitation and I was very pleased to participate in those early discussions. I see that in this year's estimates provision has been made for the building of a number of cutters, two of which will be

used on the west coast. I am sure that the mariners in British Columbia will welcome the announcement and I hope that marine search and rescue facilities along the west coast will be greatly improved by the addition of those two vessels.

I hope that when the designs are submitted for those cutters consideration will be given to the peculiar problems in weather and ocean conditions affecting the west coast. I hope that there will be the latest rescue equipment on board such as inflatable balloons which can be used to keep sinking vessels afloat until heavy rescue equipment can be brought up, which will prevent a recurrence of a certain tragic incident that we had last year on the west coast, and which might have been prevented if such equipment had been available.

The port of Vancouver is the busiest port in Canada, Mr. Chairman. I have the privilege of representing that part of Vancouver known as Vancouver Centre, which includes the major installations along the waterfront which extends for 98.2 miles. The national harbours board, in its annual report, said that in terms of ship activity Vancouver last year saw the arrival of 28,792 ships of all categories of which 1,771 were deep-sea or ocean-going vessels. Montreal in the same period saw the arrival of more deep-sea vessels, but her total ship arrivals numbered only 6,211.

I am quite proud of this shipping record for Vancouver especially when Vancouver is now the busiest wheat port in the world. The recent sale of wheat to communist China will add to Vancouver's leadership. Hon. members might be interested to know what the Vancouver *Province* had to say about this sale on May 3. The article on the front page of the Vancouver *Province* of that day carried the headline:

Huge grain sale to China means busy times for B.C. ports.

The article takes note of the record sale of grain to communist China and it goes on to say:

Just about everyone in B.C. will benefit from the big boom the sale will precipitate in deep-sea shipping.

Payrolls alone in the four B.C. ports will go up about $45 million in the next three years. The sale will bring 750 ships to B.C. ports. Vancouver handles 91 per cent of B.C.'s grain trade. The 750 ships represent almost half the total of 1,565 ships that came to Vancouver in 1960, a record year.

Carpenters will be needed to fit the ships; provisions will be purchased locally, and the visiting seamen will spend thousands more on shore.

Port officials estimate the community receives about $7.50 in wages and handling costs for every ton of grain shipped overseas. Under the agreement, five millions tons of wheat and one million tons of barley will be shipped from B.C.

All four ports will be operating at capacity for the next three years at least—a new test for all of them.

Vancouver has been the largest grain exporting port in the world for the last several years and will add to her leadership.

Shipments to Japan and other big buyers of Canadian grain in the port of Vancouver will not be affected.

Berthing facilities in Vancouver and New Westminster will be improved considerably this year to handle the new flow of shipping.

Funds have already been allocated for deepening the United Grain Growers' No. 3 jetty to 35 feet. This will also include new piling and virtual reconstruction of the pier.

The new suction dredge *Fort Langley* will be ready to go on the Fraser river in August.

This will assure the port of New Westminster a deeper channel and the cut to the grain elevators will be kept open for year round shipping.

B.C. ports are now handling an average of 17 million bushels of grain a month. When the new shipments begin this summer, an additional 7½ million bushels will be exported every month.

From what I have quoted from the Vancouver *Province,* it is obvious that Vancouver stands to gain very much from the increased port activity. I therefore want to place on record my gratitude and the gratitude of the people of Vancouver to the Minister of Agriculture, and indeed to this government, for the energetic efforts which have been expended in promoting foreign trade and sales.

Before world war II Vancouver was known as Canada's gateway to the Orient. This glamorous title faded a bit after the war, but I think this recent grain sale will give the necessary impetus to all concerned in Vancouver to do something about recapturing that position.

The Minister of Agriculture and the Minister of Trade and Commerce have indicated that the government intends to continue its efforts to increase foreign trade. If that is so, then I foresee a period in the near future when Vancouver will become not only the largest grain exporting port in the world but also the busiest port in the world. I am positive that that period will come, but it will not come if we sit back and wait for it. We must be sure that we shall have adequate harbour facilities, storage and staging areas, railway depots, adequate fire and police protection, sufficient power resources, and so on. Because all this requires planning on a huge and long range basis, I wish to suggest that the minister consider the advisability of creating a greater Vancouver port council. This port council should include representatives from the technical planning board of

the city of Vancouver, the city of New Westminster, the city of North Vancouver, the board of trade, the national harbours board, and representatives from the Department of Trade and Commerce, the provincial government, transportation, which will include railways, shipping and air, and representatives from farm organizations and labour unions.

The need for such an organization was emphasized when the Minister of Agriculture was recently in Vancouver discussing with various officials the problem of getting out the wheat to China. On March 6 and 7 of this year, the Minister of Agriculture invited representatives from the railways, grain exchanges, shipping federations, union officials, the national harbours board, and the Canadian wheat board to a meeting, and he stated that he hoped, through the co-operation of these organizations, methods of increasing the movement of grain through Pacific coast ports would be worked out.

I suggest, Mr. Chairman, that the port council should decide as its objective to make Vancouver the finest harbour in the world and then proceed to draw up the necessary plans to develop Vancouver along those lines. Obviously, no one organization will be able to do this and it would be quite futile to have magnificent harbour and industrial facilities if there were nothing to make use of these facilities. The port council should therefore also put forward a very vigorous effort to attract industry to the Vancouver area, and this is where the board of trade can come in. At the same time, I suggest that labour unions should be prepared to offer a period of stability in labour relations in order not to discourage industrial prospects. The provincial and federal governments should be prepared to grant tax concessions as an inducement to industry to locate in the Vancouver area. The municipal authorities should, through their technical planning board, make sure that there are sufficient areas set aside for industrial development.

As I have said before, this would be a tremendous undertaking and the results would not be immediately apparent. None the less, I suggest that the time has come when an organization such as I have envisaged should be created. The representatives of this port council must be prepared to use their imagination and to look ahead to the tremendous trade opportunities which lie across the horizon. At the same time we should not forget that, apart from the basic industries of British Columbia, the other major industries are situated in eastern Canada and those industries should be encouraged to start planning for the time when we will be able to take full advantage of trade across the Pacific.

The national harbours board, which is under the direction of the Minister of Transport, is in a good position to initiate this project. With official recognition from the minister, I am sure that we will have an instant response from responsible leaders of the business community in Vancouver. I took the liberty of writing to the port manager of the national harbours board, Vancouver, and asking for further information which would help me prepare a speech in this connection. I today received a reply from Captain Johnson, the port manager, which is as follows:

My dear Mr. Jung:

We thank you very much indeed for your letter on May 12, 1961 requesting certain information from this port in order that you may formulate your speech.

We are very much interested in your request and feel that it should be treated with the fullest concern and therefore it has been turned over to our port promotion and information department.

If you have an early deadline for this information, would you please wire this office collect and let us know what that date is and we will endeavour to rush the information to you, if necessary.

Again thanking you for your interest in this port,

Yours very truly,
B. D. L. Johnson
Port Manager

Unfortunately, Mr. Chairman, I have not had the time to get this information from the board because I did not know I would be speaking so soon. Nevertheless, I feel this is a project which should receive sympathetic consideration and I commend this proposal to the minister. I suggest that consideration be given to convening a preliminary meeting of this organization, and, initially, this meeting might be on a voluntary and co-operative basis. Should these initial meetings prove successful, then we might consider expanding the present national harbours board in Vancouver into a larger organization known as the greater Vancouver harbour port authority, to enable it to discharge the responsibilities which I have listed.

In my opinion, Mr. Chairman, we have nothing to lose and everything to gain by holding exploratory talks along the lines I have suggested.

(Translation):

Mr. Brassard (Lapointe): Mr. Chairman, even if I come very late, I should like to join all the previous speakers in offering my congratulations to the new Minister of Transport (Mr. Balcer) who has stepped into the shoes of men such as the

hon. member for Laurier (Mr. Chevrier), the former hon. member for St. Antoine-Westmount and his predecessor, now heading the Department of Trade and Commerce (Mr. Hees).

Some of my colleagues in this house who do not belong to the same party as I do, often attack that man—I am embarrassed to see him here because I would have liked to say in his absence what I think of him. Some of my colleagues often attack the former minister of transport, now, the hon. member for Laurier, because he now represents a Quebec riding.

I find it really distressing that hon. members from my own province should make an exhibition of themselves in front of hon. members from the nine other provinces of this country, and wash their dirty linen in front of everybody, in this House of Commons.

The hon. member for Laurier associated his name with one of the largest Canadian undertakings, namely the St. Lawrence seaway. I am sure that that enterprise will have deep effects on the whole economy of our country, and, as a matter of fact those economic effects have already been felt in Canada.

Many years ago he started personal studies of the seaway project. He even sacrificed himself when the then prime minister of Canada, Right Hon. Louis St. Laurent, asked him to accept the presidency of the seaway authority. It was a sacrifice for him, but at the same time he built something for his country.

I am sorry to see some of my colleagues who are trying to ruin his reputation by mean accusations. Their efforts are vain because we are standing by him and we will see to it that the people have a true knowledge of this man.

The present Minister of Transport also succeeded to one of my former bosses, Mr. Marler, who, I think, because I worked almost three years under him, did something for his country. He was not a politician, he was a businessman. He devoted all his heart, all his soul and all his intelligence to his country. He had a great intelligence and understood the problems of the nation.

The present incumbent of the office succeeded to the now Minister of Trade and Commerce.

I must say, without any intended reflection on his predecessor, that even though the present minister does not smile as easily, I am sure that he has the same devotion to his office and the same sincere desire to discharge his duty. I wish to congratulate him and wish him well, and above all, I hope he will understand the problems faced by all ten provinces in this country.

In the next few minutes, I would like to bring to his attention some problems of my area. In doing so I am inspired more by love for my district than by my allegiance to my political party.

Some who came before me and who did not have my political convictions have already talked on behalf of what I want to ask the minister.

The hon. member for Chicoutimi suggested it long before me, and so did the mayor of Chicoutimi, I am referring to the dredging of the Saguenay river.

For four years, we have been trying to attract foreign industries. We are told that because of a lack of transportation, our situation is slightly unfavourable. Through the Department of Transport, I would like to spur the interest of the national harbours board in the Saguenay river.

We need new industries in our district. We need them because the heavy industries established in our parts had to lay off a number of employees due partly to a deterioration of our foreign market and partly to industrial automation. Those men have become experts and specialized labour, trained for heavy industry, the large industry, the electro-chemical industry. There is in our district a potential labour force which would like nothing better than to contribute to the development of the area while honourably earning their families' living.

I ask the Minister of Transport to examine that problem and not to take two or three years before putting in his estimates a vote for the dredging of the Saguenay river which, even though it does not flow through my riding, belongs to my district. I feel that a member when he is talking must forget about being re-elected and bear in mind above all the welfare of the whole district surrounding his constituency.

I am sure the hon. members for Lake St. John (Mr. Parizeau) and for Roberval (Mr. Tremblay) share that opinion and that one day they will speak out in this house, not because I advocated it nor because the hon. member for Chicoutimi advocated it, but because they love their region and want the common good of the community in which they live. The Lake St. John region is one of the most promising in Canada. Indeed, it has already done a great deal.

We have at Passe Dangereuse or Chute des Passes, a power station which generates one million horsepower. Shipshaw is one of the most productive power stations. We have the aluminum industry, the Price Brothers mills, the Consolidated Paper mills and the Lake St. John Paper mills in Dolbeau. The possibilities of that region are almost unlimited, if we would just help a little in the field of navigation.

The Minister of Transport is, I know, familiar with navigation, since he lives in Three Rivers. I do not have to tell him the importance of navigation on the development of a given district.

More than half of our population is under 21. That, I think, is exceptional. Our young people want to work. Every year, young people come out of technical schools and others, enter the abour market only to find that there are no opportunities for them. The government must show some interest in the matter and look after us; it could start by deepening the Saguenay river.

In another county there is another problem to which the hon. member for Chicoutimi has already referred: the St. Honore airport.

On several occasions, I have asked the minister's predecessor to try to do something in that connection.

The Department of Transport often states, and quite rightly, that it is interested in the development of civil aviation in Canada. According to the high officials and technicians of the department, the landing strips at that airport are in an exceptionally good condition considering the length of time the airport has not been used. At one time, I asked for a report on the matter. I know that the minister is extremely busy and that the administration of his department forces him to cover all sectors of the country's economy, but since I have received no report, I would like to know once and for all whether something definite could be done for the St. Honore airport and for the development of civil aviation in my area.

Investigations were carried out and the results were never made known to me. I do not usually speak like this in the house but I have been referring to this matter of the St. Honore airport for at least three years; my colleague from Chicoutimi is just as interested in the matter as I am, if not more so, and I would like the minister to see that his officials tell us definitely what they think of the whole matter and what the department can do about it.

There is another problem which is causing me concern just as it does to other members of my area, I am sure, namely the possible combination of the C.N.R. express and freight services. In the past three or four months, I have met several employees who have heard of such a combination of services which, I am told, would be conductive to many lay-offs.

If the only people affected were those 24, 25, 28 or 30 years of age, I might understand the situation, but when the situation affects people who have worked 30 to 35 years for a public concern such as the C.N.R., who had a special training in a particular field, how can we expect those people to find employment elsewhere when for most of their life they have practised a trade which has no equivalent in other fields of private enterprise?

There is a human problem there that must be considered and I ask the Minister of Transport to take this up with the president of the C.N.R. I know, having worked in that department, that he might reply that the matter is entirely up to the C.N.R.; but I know of people who, when they used to sit on this side of the house, had rather bitter words for us about the whole problem of railway management. They are in power now. They are in—perhaps I should say they are "all in", Mr. Chairman, considering the way they act. They are in there, and if they remember what they said at the time they sat on this side of the house, if they are sincere, and I have no doubt they are, let them try their luck with the C.N.R.'s representatives and discuss, not only the economic problem, but also the human problem.

My colleague from Maisonneuve-Rosemont (Mr. Deschatelets) referred to the Soulanges canal lands. First of all, I do not have all the facts relating to this Soulanges canal. I know one thing, however, and in this regard I leave out of consideration my political affiliation with those who are in Quebec city, but I know what they intend to do with the Soulanges canal, and the minister also knows, I am sure, because they have written to him. Besides, the minister of youth and the minister of game and fisheries have publicly stated the aims they would pursue if the province could acquire the Soulanges canal.

I am a little sorry that the member for Vaudreuil-Soulanges (Mr. Bourbonnais)—I did not know about it, it was my colleague from Maisonneuve-Rosemont who told me this afternoon—should have been the only one, according to the letter he published in a newspaper, to oppose the general welfare policy of the Quebec government.

When it is a question of our province, it seems to me that we could at least follow in

the footsteps of our colleagues from other parts of Canada who, whatever their political affiliation, always agree as regards the general welfare of their own province.

Whether we are Liberals, Conservatives, members of the C.C.F. group, or independents, whenever the common welfare of a province is at stake, we should forget our particular political allegiance. And, if the hon. member for Vaudreuil-Soulanges does not understand it, I hope that—even if he does not understand its platform—he will have enough regard for his own party to work for its re-election by favouring a policy which would benefit the citizens of our province. That is what I expect of those in authority, not only for my own province, but for every province in this country.

I want to say a few words about our merchant fleet. We heard so much about our merchant marine from the hon. gentleman who today heads the Department of External Affairs. When I was in the Department of Transport, I heard him make many a speech about our commercial fleet. He left almost nothing unsaid against the former ministers of transport with regard to our merchant navy.

One might have expected that, when the Conservatives would be in power, the present Secretary of State for External Affairs would be appointed minister of transport, so that he could practise what he had preached. But no, he was first appointed to public works, and then to external affairs. Moreover, instead of improving our shipping, they were satisfied to use the few remaining ships of the Canadian National Railways.

Recently, the Minister of Transport—and I must congratulate him for it—announced a new departmental policy on shipbuilding in Canada. However, two or three days afterwards, or even the very next day, the Minister of Veterans Affairs went on a trip to western Canada where, it seems, a by-election is going on, and said: "Our merchant marine is adequate to transport the wheat we sold to communist China."

But for over four years now the Conservatives have been managing the affairs of this country. And yet, that was one of the great promises made to Canadian voters. Today we are told: "We shall have a merchant marine when the need arises." Either they were sincere or naive when they were accusing us of having no merchant marine. I hope they were sincere. But, when I consider what happened in those four years I have my doubts about their naiveté.

Before resuming my seat, I should like to suggest to the minister—and this will be doing him a service because there are so few of us who think of helping him, poor man—that his department has become too important a body, affecting too many sectors of our economy, to be under the authority of only one man.

It is not that I do not find the present minister intelligent—and I am saying this seriously—but there is much talk about civil aviation and I think it is high time provision were made for a separate civil aviation division in the department. Or else let a new department be set up, if it is more agreeable to the minister, or perhaps Conservative members will have a more attractive suggestion. But let that department be divided. It is becoming too big; it affects too many sectors of our economy, for only one man to handle everything. I worked there for three months and I realized to what extent civil servants are devoted and competent in their field.

Besides, the minister must have realized this, since the time he has been there. At least I hope so. If he wants to prove to us he understands to what extent the Department of Transport is important to Canada, if he wants to give us concrete evidence that he understands that civil aviation is in constant development, and that the things of tomorrow are nearly those of today, I hope he will convince his colleagues of the cabinet that a department of civil aviation is imperative. It seems the minister just said a few words about that.

Mr. Balcer: Do you want half of it?

Mr. Brassard (Lapointe): I lack that ability. But my colleague from Roberval (Mr. Tremblay) will accept it eagerly. Just the same, I rely on the minister, knowing that his officials are working so hard in the department. I have seen them at work and I have known them. If he fails to think of his men, we want to tell him about it. I hope he is working hard as a minister. Therefore, let him think of himself, and it will help him convince his colleagues in the cabinet.

I have been listening with close attention to my colleague from Joliette-L'Assomption-Montcalm (Mr. Pigeon) who expressed certain grievances against the Bell Telephone Company of Canada. I am not aware of the facts he quoted to the house, but I can tell him one thing. I had occasion not too long ago to meet the directors of one of Canada's largest firms, and I well remember them asking me this question: "What do you think of this service?" I said: "I am no more in favour of socialism than you are, but what do you want? What are you doing to avoid it? You complain about having no say in the administration of your country or province, but what have you done to deserve it?"

I realize that a company director or president cannot be expected to resign from an industry to go into active politics. One thing I fail to understand, however, is that too many people are engaged in small private businesses and fail to realize that apart from active politics, they can have meetings with the people responsible for running the country or province. But they have no time for that; people often complain that they have no time for politics, but if they wait another five or ten years, many of those now in private enterprise will have no time for politics because they will all be civil servants.

Private enterprise must realize that it has a great part to play in the economy of our province and country. Gone are the days when politics could be left to anyone, to the demagogues or those who are motivated by one thing only: personal interest.

Mr. Chairman, I have been wandering a bit, but coming back to the point, I should like to remind the minister of the Saguenay waterway scheme. I hope he will look into it. I see he is smiling; I have confidence in his smile. I again urge him to consider my area.

Mr. Balcer: Do you expect me to cry?

Mr. Brassard (Lapointe): I hope he will consider my area. In that way, he will be helping the economy generally. In considering other areas, he will be helping the economy of every province and of the country as a whole. That is my request to a man who is now vested with the authority of the Minister of Transport.

(Text):

Mr. Broome: Before coming to the substance of my remarks I should like to pay a compliment to the Minister of Transport. I do not mean this as empty words. I believe sincerely that the minister has taken hold of this department and is giving it leadership which is second to none. He is a strong man, and he is worthy of all the compliments I can pay him. He may not get up and perform a lot of histrionics in the house but in the solid work of running a large department of government the hon. minister has few peers. While I am saying a few "thank you's" I should also say how grateful I am to the hon. member for Bonavista-Twillingate for the gracious things he said last Wednesday.

I should like to talk about air lines, particularly. Many aspects of the work of this department are of importance to my province and to my area but the air lines is one of the most important of the fields which concerns us. I should like to refer to the current annual statement of Trans-Canada Air Lines and to quote from this statement, not at length but here and there, in order to make a few points. On the first page it states:

> Revenue growth started slowly reflecting the changed competitive situation. There was, however, marked acceleration in the latter half of the year under the stimulus of new equipment and lower Atlantic fares.

When you look at the table accompanying this statement you find that revenue from Atlantic fares did rise by 25 per cent but domestic revenue went up by 10 per cent also, which would appear to be a reasonably large increase. Checking over the balance sheet you find that capital commitments and contingent liabilities reflecting a balance of payment for equipment and construction amount to some $35 million. Of course, the fact that this air line has had a deficit for the first time in a good many years has been mentioned many times in this house. A deficit of some $2,600,000 has been mentioned but I have not yet heard anybody say anything with regard to the surplus. The balance sheet as of January 1, 1960, showed a surplus of $6,800,000, all of which disappeared this year. An explanation is given in a note on page 7 which says:

> The surplus balance of $6,842,000 has been appropriated to establish a reserve against anticipated net differences between book value and the amount realized on the disposal of the piston engine fleets, their major components and supporting inventory.

Further on, the report points out that T.C.A. is the seventh largest air line in the world. As such, it should certainly be of a size to enable it to take advantage of the efficiency which comes from a large operation to operate at a profit. Perhaps we are paying a high price for the prestige of having the first all turbine fleet in the world. Perhaps we are paying a high price for forcing the obsolescence of aircraft such as 12 super constellations. All that surplus of 1960 disappeared because of the fact that these aircraft have not been in service long enough for the normal depreciation to take place to take care of the difference between their normal sale value and what the book value shows. This is where the surplus went.

I am also interested in looking at the timetable of T.C.A. overseas services. Under the T.C.A.-B.O.A.C. agreement are listed some 22 flights each way weekly over the Atlantic, 22 by T.C.A. and 22 by B.O.A.C. If you refer to the Aeronautics Act, part II, chapter 2, you will find, Mr. Chairman, that in section 15, subsection 7 it says:

> The board shall upon application grant to Trans-Canada Air Lines a licence to operate a commercial

air service under such terms and subject to such conditions as will enable Trans-Canada Air Lines to perform any agreement made under sections 15 or 24 between the Minister of Transport and Trans-Canada Air Lines or between the Minister of Transport and any corporation created under section 19 of the act.

We have an anomaly here. We have an air transport board which is supposed to exercise control over air transportation in Canada, yet this board cannot control the operations of T.C.A. at the present time. Today the board is obliged to issue to T.C.A. without any hearing, public or otherwise, such licences as T.C.A. may require. Thus, in the absence of licensing power over T.C.A., the board is deprived of the normal controls relating to licensing which it exercises over all other scheduled carriers. The fact that T.C.A. services are covered by one licence means that T.C.A. can adapt and amend its schedules or flights in any pattern it wishes in order to cover those points. It is only when the company wishes to reach a new city or to extend to a location which it had not covered before that there is any vestige of control over this air line.

How does this affect other air lines? Other air lines have individual licences covering each route and they cannot make any changes without consent. For example, Canadian Pacific Air Lines has a licence to fly Vancouver-Edmonton-Amsterdam. Canadian Pacific Air Lines also has a licence to fly Vancouver-Penticton-Castlegar-Cranbrook-Calgary. But Canadian Pacific Air Lines cannot fly Vancouver-Calgary-Amsterdam because a licence to land and take off at Calgary is not part of the overseas licence issued to them. I contend that Trans-Canada Air Lines should have to show cause when they wish to fly over new routes. They should have to show that there is public necessity for such flights. The president of that air line said at a hearing in Ottawa some two years ago that he would be willing to fly his planes empty beside a competing carrier in order to drive that carrier out of business. This should not be possible.

We have a condition now where advertisements are appearing in Vancouver newspapers advertising flights by United States air lines to Europe. West coast people who wish to travel to Europe now fly by American air line because they can fly directly from Seattle to London which is the destination of most west coast passengers going overseas. Canadian Pacific Air Lines, one of our flag carriers, cannot do this. It cannot fly Vancouver-Edmonton-London. It must fly to Amsterdam, and then those passengers whose destination is London complete their journey on the K.L.M. system. Much of the traffic has been forced to United States air lines as a result of this situation. This situation has not helped Trans-Canada Air Lines. If it had, why would there now be 22 flights a week across the Atlantic by B.O.A.C. and 22 flights by T.C.A.?

It seems all right to have this competition between air line carriers operating out of Toronto and Montreal to London, but it is not all right according to T.C.A. and the air transport board, that our own second flag carrier should operate from the west coast to London over a route which was pioneered by that company—I refer to the polar route—although T.C.A. announced some weeks ago that it intended to fly that route. I understand that T.C.A. did not have to apply for permission to do so because it was able to land at cities for which it already has licences. It just simply announced it was going to fly the polar route.

The government, through the former minister, as well as the present minister, announced that competition was to be controlled to the best interests of both carriers, but I suggest that competition is only controlled in regard to one; the other not being subject to the same control. The other carrier could make 50 flights per week if it wished to do so in order to give a frequency of service to drive its competition out of business even though this might result in a severe financial drain on the federal treasury.

I have in my hand a Trans-Canada Air Lines advertisement regarding trans-Canada and overseas flights. The paragraph appearing at the bottom of this advertisement reads as follows:

Also through jet flights from Vancouver, Edmonton, Winnipeg, Toronto, Cleveland and Halifax to Shannon, Glasgow and London.

The only sensible control on competition should have regard to regulations requiring air lines to plan their flights in such a way as to meet reasonable traffic demands, having regard to public convenience and economic considerations. The contention of hon. members from the west—I mean British Columbia when I say "the west"—has been that competing carriers should share in the growth of air line traffic, and not that one carrier should consider all growth to belong to it.

Trans-Canada Air Lines occupies a dominant position in eastern Canada passenger traffic and would, I suggest, still have 80 per cent of all traffic growth in the country, but the remaining 20 per cent increase, which exists generally in the west, represents a portion of passenger traffic in which C.P.A. should share.

I suggest the establishment of an all turbine fleet has involved a very high cost. This is particularly so because of the fact that 12 super constellations now sit in mothballs,

although they still had considerable service life. The lost from the sale of these 12 super constellations has undoubtedly accounted, in large part, for the elimination of the $6 million surplus which existed on January 1, 1960, but which does not exist today.

Mr. Chairman, I intend now to refer to the Wheatcroft report. I suggest it has reference to this department's estimates because it was following this report that the competition situation was opened for review.

Mr. Wheatcroft stated that the advantages of air line competition were: (a) more adequate service; (b) more efficient service; (c) more rapid technological progress; (d) more rapid traffic development; (e) a yardstick of efficiency, as no other method had yet been devised to achieve this as effectively as direct comparisons between competitive companies serving the same markets; and (f) the satisfaction of choice.

Hon. members who have travelled across the country by air will realize the drastic improvement which has been made during the last two years. I suggest that the travelling public has demanded this improvement, and has benefited from this competition. Mr. Wheatcroft also stated that the advantages of competition would be justified only if they did not involve a significant increase in the unit cost level of providing the air service. I think that is an important statement.

Mr. Wheatcroft pointed out, at the time of this report some two years ago, that the size of Trans-Canada Air Lines, at 270 million available ton miles per year, was well over the economy of scale size of about 150 million available ton miles per year. On the other hand, he observed that Canadian Pacific Air Lines, at 66 million available ton miles per year, was well below the level at which it could enjoy all the economies of large scale operations. The comparable figures for 1959, in this regard are, T.C.A., 357 million available ton miles per year, and C.P.A., 97 million available ton miles per year.

The figures I have mentioned, taken from Mr. Wheatcroft's report, bear out a statement made in the Trans-Canada Air Lines annual report, that it is now the seventh largest air carrier in the world. I suggest this is of great credit to previous governments, to the present government, and to the personnel of the air line itself. However, at the same time as this statement is made, the officials of Trans-Canada Air Lines profess concern because of the competition of one transcontinental flight per day by the second Canadian flag air line. Those officials are also worried about the result of allowing one Canadian flag carrier, out of approximately six air lines flying from Canada to London, to land in that city. I should like to present a few examples of how this competitive air line is treated.

Canadian Pacific Air Lines flies a route from Vancouver to Mexico city, to Toronto and Montreal, but is not allowed to carry traffic between Toronto and Montreal. This is the same as Canada's treatment of foreign carriers. Canadian Pacific Air Lines is apparently subject to the same regulations which apply to foreign carriers. At one time, during the regime of the previous government, this company could not fly into Edmonton, but had to land at Yellowknife, making it more difficult for people to use this service. The present government has changed that situation and allows C.P.A. to land at Edmonton. However, a passenger, under present regulations, cannot travel from Vancouver to Edmonton by Canadian Pacific Air Lines, although that air line flies from Vancouver to Edmonton to Amsterdam. That is how Canadian Pacific Air Lines is being treated, as if it were a foreign and not a Canadian carrier. That air line should be able to fly Vancouver-Edmonton-Amsterdam and on other days Vancouver-Calgary-Amsterdam, and carry passengers between Canadian points.

On the other hand, Trans-Canada Air Lines is allowed to change its routes at will. I would suggest that if T.C.A. would devote half the effort which it is now putting into fighting this other Canadian air line toward improving its service and developing and extending their lines into the United States and tapping the markets which they have not yet tapped, it would be much better for both air lines.

Other members from British Columbia will have something to say on this subject. I am sure they will be touching other areas in addition to the areas I have covered in order to indicate that some changes must be made in the operations of the air transport board and of Trans-Canada Air Lines, which will make the board a functioning board and which will bring the government's own lines under the same rules and regulations that apply to other lines. This is the first essential. The second essential is that the private operator should not have to have this ridiculous dog's leg arrangement to Amsterdam and then through K.L.M. to London, but should fly there direct and thus stop feeding Canadian passengers to United States air lines because a Canadian air line cannot give the same service.

Canadian Pacific Air Lines is equally worthy of support, and equally worthy of commendation because of the job it has done in building up a rag-tag of routes around

the world, which were not wanted by T.C.A. and which in many instances they had to negotiate themselves, into an outstanding world air carrier.

I have heard that negotiations have been going on between T.C.A. and Japan Air Lines, in regard to onward passengers from within Canada going to Tokyo, whereby the government air line would direct traffic from C.P.A. to a foreign carrier, something like the B.O.A.C.-T.C.A. agreement. The same thing, of course, could be done with respect to Hawaii or any of the points reached at the present time by Canadian Pacific Air Lines.

The thing is, Mr. Chairman, these two companies must work in co-operation; they must work in the best interests of both companies, and this can only be done by government regulations. What hurts one is equally bad as what hurts the other. Therefore, Mr. Chairman, I wish to say I am glad we have as head of the Department of Transport a minister who is willing to really get in and work on the problems which beset his department. I do hope that before too long he will be able to give some relief to a company which is a tremendous dollar earner for Canada, a tremendous producer of revenue from foreign lands, and which is one of the finest and best operations on the west coast, a company which has a major place in the over-all economy of the west coast.

Mr. Lessard: Will you call it six o'clock, Mr. Chairman?

The Chairman: Is it agreed that we call it six o'clock?

Some hon. Members: Agreed.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 7.30 p.m.

(Translation):

Mr. Lessard: Mr. Chairman, I would be remiss in failing to say a few words on the first item of the estimates of the Department of Transport.

A number of important and urgent projects of benefit to greater Montreal have been put forward by various members of the opposition, and particularly by the hon. member for Laurier and the hon. member for Maisonneuve-Rosemont (Messrs. Chevrier and Deschatelets). I shall deal only with the more important ones.

The first one concerns the construction of a bridge in eastern Montreal. I think the minister recognizes the need, as this is an absolute must.

The second project is the use of C.N.R. land for the erection of east-west elevated highways.

The third concerns improvements to the port of Montreal, and particularly the development of a miniature park to allow local citizens and tourists to gain entrance to the port.

Those, Mr. Chairman, are urgent and necessary projects, of interest both to the federal government and to the Montreal authorities.

Mr. Chairman, apart from sitting in this house as member for St. Henry, I sit as member of the Montreal city council. I have often wondered what should be done to facilitate the implementation of those three schemes, which are so important for the economic development of Montreal.

In reply to a question I raised this morning concerning the erection of the elevated east-west highway, the Minister of Transport said he had received a brief from the city, about a month or five weeks ago. This was news to me.

I do not think such long distance discussions are a proper approach to our mutual problems. In that connection, I have a suggestion for the minister, and I hope he will give it serious consideration.

In dealing with such important schemes involving both the city of Montreal and the government at Ottawa, perhaps it might be helpful to set up a joint committee made up of a few city councillors and officials of the national harbours board, who could study the schemes and report to the minister.

I think this suggestion might facilitate and hasten the implementation of important works, if we want Montreal to remain the metropolis of Canada.

(Text):

Mr. Browne (Vancouver-Kingsway): Mr. Chairman, first of all, along with other members, I should like to take this opportunity to congratulate the minister on his appointment, not only because it is customary to do so but because I believe that in the time he has been minister he has already proved himself to be extremely capable. I know that his tenure of office is going to be a very valuable one to the transportation industry.

I want to say a few things tonight about transportation policy as it relates to labour relations. There will be some aspects of my remarks that, perhaps, will be of concern to the Minister of Labour as well, but I feel

they are more directly related to the field of transportation than they are to labour. I do not wish to rehash all the things that happened during the recent threatened railway strike. However, I believe that the positions that were taken by the various political parties at that time are of concern at the present time and will be more so in the future. This is one of those occasions when we have been able to get the opposition parties to state their policy and take a position with regard to it.

The committee will recall that when we were threatened with a strike the government took the position that collective bargaining should be the means of settling it and that they did not propose to offer any subsidy to cover wages. These were the two main statements that were made by the government. On the other hand, the position of the Liberal party has been quite clear for some time. When there was a railway strike in 1950, they imposed compulsory arbitration and advocated the same thing during the present situation. Then, we had the position taken by the C.C.F. party which advocated a subsidy to cover the wages of the railway employees. I thought that was a rather surprising position for that party to take because, over the years, they have always claimed that they were the spokesmen for labour in this country. I have never agreed with that view. I believe the actions they have taken in this regard prove substantially that they speak for special interests only. I would suggest they probably speak for those sections of organized labour which happen to contribute to funds for their party.

On other occasions when we have had protests made by unions, the C.C.F. group was very quick in bringing them to our attention. However, there was one protest that came from the employees of the trucking industry about which I have heard absolutely nothing from that party. While they were advocating a subsidy for wages of 111,000 railway employees, there were 90,000 employees in the trucking industry who were entirely opposed to such a policy. I think the action they took in recommending a subsidy for one segment of labour was a very wrong one.

I should like to bring to the attention of the committee a resolution that was passed by the Canadian conference of teamsters and sent to the Prime Minister. It reads as follows:

We, the undersigned truck drivers and employees of the trucking industry of the Dominion of Canada, are most violently opposed to past subsidies, and the proposed future subsidies granted to the Canadian railroads, which are to come out of public funds to the extent of better than six dollars per head. We therefore endorse the following resolution to be submitted to your government for immediate action:

Whereas: the Canadian government, over the past years has donated to the two Canadian railways, through subsidies, many millions of dollars out of the public treasury, and

Whereas: over the period of time during which the railroads have been receiving these millions of dollars, the same two railroads have been instituting non-profitable practices, such as: agreed charges on bulk commodities, at rates far below their operating costs, and piggy-backing at rates much lower than the recognized tariff rates, and

Whereas: both these practices place the trucking industry of the Dominion of Canada in an extremely difficult position, which will eventually eliminate many trucking companies, and

Whereas: through agreed charges, hundreds of truck drivers and trucking employees have been displaced, to further aggravate the unemployment situation, and

Whereas: during the past ten years, while the railroads have been receiving millions of dollars of public funds, the same railroads have been buying up truck lines to a point where they now control truck lines from coast to coast, at the expense of the public, and which, in a very short period of time, will result in a monopoly of the transportation industry such as existed before the trucking industry came into existence, and

Whereas: no other industry in the Dominion of Canada, under our private enterprise system of business, has been given the privilege of operating and paying dividends consistently from the public treasury.

Therefore be it resolved that the government of the Dominion of Canada cease the practice of making donations or subsidies to the Canadian railways, and be it

Further resolved that the government of the Dominion of Canada implement controlled minimum transportation rates and regulations which will allow all types of transportation a fair existence, to the common interest of the general public of the Dominion of Canada.

Mr. Winch: That is what I pointed out this afternoon.

Mr. Browne (Vancouver-Kingsway): That was not the position taken by the hon. member's party during the debates. I wanted to bring to the attention of the committee that when we consider a subsidy for wages, we must recognize that it is unfair to subsidize one group of employees when another group might well be affected.

Further, in relation to the labour question that has arisen and the positions that have been taken by the parties may I say this. The government has taken the position that collective bargaining should be allowed to take its course and that it should be the means of settling disputes. However, I should like to point out that the railroads have now gone very substantially into the trucking business. In fact, the Canadian Pacific Railway is the largest trucking organization in Canada and the Canadian National Railways operate the second largest trucking operation in Canada. The Canadian Pacific Railway has now started upon a course of integrating all of their trucking operations with their rail operations. They started this policy first of all in the province of British Columbia where

they were operating several truck lines. They were operating Canadian Pacific Transport, O.K. Valley Freight Lines, Island Freight Service and a number of others. They have decided to join those lines all into one organization known as Canadian Pacific Merchandise Services Limited and they have indicated their intention to pursue that policy all across Canada. All of their trucking operations will eventually be integrated into Canadian Pacific Merchandise Services and will comprise some 9,000 employees.

When this happened and this new organization was set up there, of course, had to be some bargaining agent for the employees of that organization. The teamsters' union went around and signed up a majority of the employees of Canadian Pacific Merchandise Services and applied for certification to the Canada labour relations board. The board told them that this was not an appropriate bargaining unit and that the people could not belong to the teamsters' union but must join one of the railroad brotherhoods even though some of the employees involved had previously belonged to the teamsters' union.

The point I wish to make in this regard is that if this policy is going to be pursued all across Canada, with the tremendous hold that the railways are getting upon the trucking industry it is going to mean that we are going to have all of our transportation services tied up under one union. If the government feels that we are to have collective bargaining I would suggest that the policy which should be followed is that those in the trucking industry should not be in the same union as those in the railroads, so that they would not all be tied up at the same time. I think that the Canada labour relations board were wrong in the decision they made at that time.

I have here a copy of the evidence that was taken at that time setting out clearly the intentions of the railroad. Not only do they intend to integrate all their services but they make it clear that they are out to compete with the trucking industry. I am quoting now from the evidence of Mr. Jacobson who was a witness for the Canadian Pacific Railway in the matter and I am referring to page 58 of the evidence before the Canada labour relations board on Wednesday, July 13, 1960. The chairman of the labour relations board had asked a question of Mr. Jacobson who was testifying. He asked this question:

Q. The purpose of Canadian Pacific acquiring these subsidiary trucking lines was so that they would use the rail services or the road services according to how it might fit into the total picture; was that the purpose?

The answer given by Mr. Jacobson was:

A. Primarily the purpose was to engage in competition in the truck transporting industry over the highway—

That makes it clear that the railroads have set out on a policy to control the trucking industry and I believe that they have made substantial headway in that regard. As I have already pointed out, the C.P.R. is the largest trucking operator in Canada and the C.N.R. is the second largest one. I do not think that anybody in this country would wish to see the railroads get back into the monopoly position which they had for 100 years in this country. Every royal commission over the last number of years has come to the conclusion that the one factor that has helped in bringing down freight rates has been competition. If the alternative means of transportation are to be controlled by the railways, I suggest there cannot then be that degree of competition which otherwise would exist. I believe this is something that must command the immediate attention of the government because there really has not been any inquiry made into it. Trucking generally has been left in the hands of the provinces and there has really been no authority on the part of royal commissions to go to the lengths that are necessary in order to determine just exactly what the position is.

I have raised this matter on two or three occasions previously, but I believe it is far more serious now than it has been in the past, particularly when we relate it to the decisions that have been given by the Canada labour relations board so that we could have the whole of our transportation industry tied up. The MacPherson royal commission has pointed out that we would have had a very serious situation during the rail strike in 1950 if it had not been for the trucking industry. It becomes quite evident that if the trucking industry is now to be tied up at the same time as is the rail industry if a strike should occur, we would not be able to withstand it at all. The government would then not be able to follow this policy of allowing collective bargaining to take place because I am sure that the country would not be in a position to withstand a strike and the consequences of having all our means of transportation tied up. I would therefore ask the government to give very serious consideration both to policy and the Canada labour relations board. It may well be that the legislation under which that board operates will need to be changed in order to cover the situation. I ask the government to give very serious consideration to the acquisition of truck lines by the railways.

I wish to say a few words about transportation policy in general. I noticed that the hon. member for Laurier made a few comments the other day in which he set out a

rather detailed description of those things which had been done by the former administration. I do not want to go back as far over the whole history as the hon. member, but I do believe there are one or two things he perhaps overlooked which are of current importance and will be of importance in the future.

The hon. member for Laurier pointed out that the previous government had appointed the Turgeon royal commission in 1950 to investigate the problems connected with transportation and that a considerable amount of legislation was passed after the hearings of that royal commission in relation to the equalizing of freight rates in this country.

I suggest to the committee that the legislation the hon. member described to us as having been passed at that time did not solve the problem and could not have solved it because of the fact that the equalization had no effect on those rates which are known as competitive rates under the Railway Act.

These rates were set so that the railways could meet truck competition, be more flexible in their rates and set them very rapidly in order to meet this competition. That is, of course, as it should be and I am sure nobody in the country would want to see it any other way. However, it did mean that the board had no way of equalizing rates, because the railways were forced to reduce some rates where there was competition and they did not have to reduce rates where there was no competition.

One thing that arose from that legislation, as the hon. member for Laurier pointed out, was this. I refer to page 4879 of *Hansard* for May 16, where the hon. member is reported as having said:

> Another feature of this legislation was the one and one third rule which is contained in section 337 of the Railway Act.

Of course, that one and one third rule means that on transcontinental freight where a rate is set, the rate cannot be more than one and one third times as much to an intermediate point. That fact alone indicates that there could not be equalization of rates if an intermediate point could carry a rate as much as one and one third times that of the ultimate destination.

However, even that was taken away in subsequent legislation because apparently the former administration was not as completely satisfied with the Turgeon report as the hon. member for Laurier indicated. The former administration appointed the Turgeon commission a second time, in 1954. At that time they were dealing with the question of agreed charges on railroads. It was a rather interesting situation, because the 1950 Turgeon commission was entirely opposed to agreed charges on the railroads. I shall read one statement which is contained on page 92 of the report of 1951:

> The point involves a question of whether the procedure should be simplified when the power granted to the railways is such an extraordinary one. The agreed charge method of rate making, even under the present practice, is contrary to well established principles of rate making under the Railway Act. It binds the shipper by agreement to ship all or an agreed portion of his goods by the carriers with whom he makes the agreement for a long period, usually for at least a year, and it gives the shipper a rate lower than the rate in the tariffs published under the Railway Act. This extraordinary procedure should be accompanied by the publicity and safeguards now required by the Transport Act. It must be remembered that the Railway Act now gives to the railways power to meet competition by the publication of competitive tariffs with a minimum of delay. The Transport Act adds to this power and empowers the railways to enter into agreed charges where the publication of competitive tariffs or special tariffs will not secure the object of the agreed charge. Such a power should not be exercised without close supervision. The procedure should not be simplified. It is important also that shippers and carriers should have an opportunity of being heard, so that the board may be made aware of all aspects of the question.

The report goes on to make a good many more remarks in that respect. However, I now want to come to the second Turgeon royal commission. The second royal commission inquiring into transportation dealt only with the application and effects of agreed charges. It held hearings in 1954 and reported in 1955.

This royal commission was brought about by a letter which the premier of Alberta wrote to the prime minister of Canada early in 1954. The letter stated, in effect, that through the application of agreed charges, Alberta was being deprived of the benefits of the one and one third rule which had been recommended in the 1951 royal commission report and which was incorporated in the Railway Act later that year. The government of Alberta had complained at the hearings of the first Turgeon royal commission, in 1949-50, about anomalies in the transcontinental competitive rates from central Canada to the Pacific coast as compared with the normal rates on the same traffic from central Canada to Calgary and Edmonton. The transcontinental competitive rates to Vancouver were made to meet the competition of steamships which operated through the Panama canal or direct to the Pacific coast ports.

The second royal commission came out very strongly in favour of agreed charges on the railways. That did away with the effect of the one and one third rule, because it was ruled subsequently that agreed charges were not covered by the one and one third rule,

so that rates in Alberta can be double or three times what they are to Vancouver in some instances.

That was one piece of legislation which certainly did nothing to equalize freight rates but actually considerably enlarged the discrimination. There is another bad feature of that legislation, in my opinion. This is that it did not require the railroads to be compensated for the cost of carrying goods under agreed charges.

The Railway Act states that the rate must be compensatory to the railroad; it must compensate them for at least their out-of-pocket costs. However, under the agreed charge legislation in the Transport Act there is no such stipulation; the railroads can set any rate they wish. An agreed charge is simply an agreement between the carrier and the shipper. I suggest this is unsound legislation because, as can already be seen, under the Railway Act the railways had sufficient power to meet competition from the trucking industry because they could set a competitive rate. If they were meeting competition from the trucking industry, they were able to set any rate they wished in order to meet that competition, provided it was compensatory to the railroad.

That is the main difference between the agreed charges under the Transport Act and the competitive rates under the Railway Act. I believe the government should take a very close look at the Transport Act for that reason. I am not going to go into that matter any more fully at this time, because I have already indicated my intention to proceed with a bill to amend that act, which I have placed on the order paper of the House of Commons.

However, the amendment in the bill I have placed on the order paper does not begin to cover the whole situation; it would only alleviate one aspect of it by making an appeal possible for the trucking industry. I think this is very little to ask, when the railroad has such extraordinary powers.

I also believe that having the power to set rates which are not compensatory may have influenced the railroads to set rates which are placing them in an even more difficult financial position than they otherwise would be. Certainly the rates on the railroads should be subject to examination by a competent authority.

At the present time, as I have indicated, the board of transport commissioners has no power over agreed charges. They simply receive them, file them and they automatically come into effect. There is a very limited appeal under the present legislation from the effects of that act, and in fact the people who would have a right of appeal under the legislation would be very unlikely to appeal because they are the people who would benefit from the low rates.

Unless an appeal is made and it is referred to the board of transport commissioners, they have no power to examine the rates to discover whether or not the railroad is being properly compensated for the goods they are hauling. A good deal has been said during the discussion in this committee, a great deal of it of a political nature, about freight rate increases over the years. I do not think we should get into a political hassle over which government was in power when freight rates were increased in the past. I think it is to be expected that there would be freight rate increases. Costs of every other description have gone up and I do not know why we should expect that rail rates should not have increased as well. However, the discriminatory effects of the increases are another matter. In order that the record may be clear in connection with what has happened by way of freight increases I wish to quote what the royal commission has had to say about that subject. They have been discussing the question of horizontal freight increases and on page 15 of their report they state:

> There have been 12 such increases, including interims, approved since 1948 which has resulted in a permitted level of increase amounting to 157 per cent. However, even abstracting the effect of statutory rates, the consequences of the competitive situation are revealed by the fact that with this permitted amount of increase in rates the railways had only been able, by the end of 1958, to obtain an increase in average revenues per ton mile of less than 55 per cent.

I think some of the statements about freight rate increases which have been put on record have been very misleading. I say they have been misleading regardless of which party was in power, because I do not believe the government has all that much control over freight rate increases. Wages and costs of every description have been rising and I believe it is only to be expected that freight costs should increase. I am sure they have gone up in other countries just as they have gone up here.

Then, again, there was another statement which the royal commission had to make on page 12 which, I think, puts the position of our freight rates into better perspective. Here again they have been talking about freight rate increases and on page 12 the commission is reported as stating:

> In this connection it is of interest to note that notwithstanding its recent rapid growth the cost of the transportation function relative to the gross national product appears to have declined from about 8½ per cent in 1946 to something in the order of 6½ per cent in 1959.

This is not to say we have no problem in connection with freight rates in this country but I believe this quotation puts the position in better perspective.

The question has been asked by some members of the opposition why the government has not rushed to implement some of the recommendations of the MacPherson royal commission. First of all, the suggestion was made that the government had had the report for months but was doing nothing about it. Then it turned out that at the time the statement was made the report had been in the hands of the minister for less than a month. However, there is a statement contained in the report itself which I think advances convincing ground for not rushing in to implement some of the recommendations which are contained in the first volume of the report.

I drew to the attention of this house the other day that this was only the first volume of the complete report and that I thought it would be precipitate to rush in and implement the first proposals we came across. This is a statement which the commission itself makes in the preface to the report:

> Volume II will, among other things, examine these particular problems. To say that they are less vital than those dealt with in volume I would be to understate their importance. The growing intensity of these special problems—local, regional or industrial in nature—is, as we are well aware, immediately responsible for the appointment of this commission. However, we feel strongly that we are in a better position to treat them now that our analysis in volume I has given us insight into the structural nature of the transportation foundation upon which they rest.

So the royal commission itself feels that the first volume is a broad study of the whole transportation picture and that the question which led immediately to the setting up of the commission has not even been dealt with in the first report. I think any criticism of the government for not proceeding immediately to implement the recommendations of this report is completely unwarranted. The commission goes on to state that further recommendations will not be long delayed. I hope this will be the case because there are many important problems which still have to be dealt with. I am sure the present minister is well aware of the situation, as he has clearly indicated by the actions he has already taken, and that he intends to take those steps which are necessary to correct the difficulties we are experiencing in transportation at the present time.

One of the matters which the hon. member for Laurier brought to our attention concerned some of the subsidies which had been paid under the previous administration. The hon. gentleman felt that these were the results of good pieces of legislation, and no doubt they helped to some extent to relieve inequities at the time they were passed. However, as a long term transportation policy I do not believe they were good. I have stated in the committee now that I do not believe embarking on a long term policy of subsidization is the proper course to follow. I think this is recognized by the MacPherson royal commission report, even though the commission recommends further subsidies for a limited period of time. I think one of the things which the commission itself has not fully recognized is that once subsidies are paid it is difficult to stop them, irrespective of any recommendation that they should be paid for one or two years only. This is true of the subsidy we are now paying under the Freight Rates Reduction Act. We were told at the time it was going to be for a year only, but we have had to extend that period on two occasions. I use that example by way of illustration.

I should like to quote what the royal commission had to say on page 21 of this report with regard to previous subsidies. The commission is speaking about subsidies which have been paid in the past, and it says:

> Measures such as these, while they help to alleviate freight rate inequities cannot by themselves solve the underlying problems. Moreover, in the form in which they have been applied they may tend to distort the competitive market in transportation with resultant adverse effects upon the transportation system as a whole.

I think that is a clear-cut indication by the commission that even though subsidies are recommended in this instance they feel strongly that a policy of subsidization should not be entered upon as a long term policy but should be strictly curtailed and should only be sufficient to compensate the railroads for services they are obliged to carry on even though those services might not be economic.

As far as the latter subsidies are concerned, I am surprised that the commission should have recommended them. It is, of course, to be realized that the Canadian Pacific Railway is a private company. It has not lost any money, and it does not seem to me that the government should be paying a subsidy to a private company which is not even losing any money, particularly when the commission has recommended that the company be allowed to curtail some of the uneconomic services which it has been operating. The commission has recommended, with a sense of urgency, that the company should abandon these unprofitable operations but it seems to me that the payment of a subsidy in these circumstances could do nothing but destroy this sense of urgency. Obviously, if a subsidy is paid for carrying them on there will be so

much less desire on the part of the railroads to discontinue these branch lines particularly when there are pressures throughout the country in favour of their retention.

The Chairman: I am sorry to interrupt the hon. member, but his time has expired.

Some hon. Members: Go on.

The Chairman: Is it the pleasure of the committee that the hon. member be allowed to continue?

Some hon. Members: Agreed.

Mr. Browne (Vancouver-Kingsway): I am grateful to the committee for this opportunity to conclude my remarks. I assure hon. members I shall not be too long.

May I add that I realize there are a lot of social implications attached to the measures which have been suggested, in particular to the proposal that the railways should curtail their uneconomic passenger operations and curtail the operation of branch lines which are uneconomic. I believe this presents a serious problem and one which must be given careful study. I know that across the prairie provinces, particularly, farmers have depended for a good many years on these branch lines. Of course, they have the benefit of the Crowsnest pass rates for their grain. The result of tearing up these branch lines would be an additional cost to the shipper in transporting his grain to a rail centre. I feel we should consider whether it is costing more to keep these rail lines in operation, than perhaps it would cost to provide some other form of compensation, or would cost to provide alternative transportation facilities for the moving of grain to rail centres.

The hon. member for Assiniboia asked, a day or two ago, for assurance that the government would not advocate a policy of tearing up these branch lines on a wholesale basis. I think that assurance is unnecessary because the royal commission has not even hinted at such a procedure. The commission report has recommended that alternative transportation systems are to be made available in the case of the abandonment of a branch line, and I am sure the government will not rush into any such wholesale project.

Regarding the loss suffered by the railways in the provision of passenger service, I suggest this is a field from which the government of Canada should encourage the railways to depart as quickly as possible, particularly when alternative transportation systems are available which are comparable and sometimes even lower in cost.

When I was attending the United Nations session at New York a short time ago my wife made arrangements to return home, and found that it was cheaper for her to do so by air than by rail. If that situation persists generally, particularly in view of the fact that bus transportation has progressed to its present fast, efficient and inexpensive service, there certainly is no necessity for carrying on this uneconomic railway passenger service.

Last year the railways lost approximately $65 million in providing this service, as a result of which the government is being asked to provide a subsidy to offset the loss. The money to be provided as subsidy to the railways must come out of the taxpayer's pocket and I am sure the taxpayer will not be happy to continue on this basis unless it is absolutely essential. I suggest that it is not essential to do so, in view of the other efficient and economical forms of transportation that are available.

I feel the government should consider this aspect, and the recommendations contained in the royal commission report in respect of it, at once. I do not believe our railways should be allowed to continue these uneconomic operations. I do not refer, of course, to the essential commuter services which are provided for individuals who must necessarily travel back and forth to work, but I do not believe that is an uneconomic service.

The railways have made many applications to the board of transport commissioners to discontinue some of these operations but have been refused throughout the years. However, I feel that these services will eventually have to be done away with. I suggest that if we must continue to subsidize them, it would be far better for the railways to withdraw this type of service on an orderly basis, particularly where there is another satisfactory means of transportation available. I think it would be wise to initiate an orderly program of withdrawing these uneconomic services provided by the railways in an attempt to place the railways in a position where they can support themselves without subsidies. If we do not do this, we will surely arrive at the point where we cannot subsidize them any longer, and the financial structure of the railways will collapse. I have no doubt that this will eventually happen, if we continue with our present program, ending each year with a deficit, as did the C.N.R. last year, amounting to approximately $65 million. I do not believe these services should be continued on that basis, and suggest that the government should consider all of the social implications and recommendations of this royal commission report. The government will, of course, wish to consider the contents of the two volumes of the report yet to come, before entering into any long term program such as I have suggested.

Mr. Chairman, I have drawn these facts to the attention of the minister, and the government, and I hope that consideration will be given to them at this time.

(Translation):

Mr. Dupuis: Mr. Chairman, I could not let pass the estimates of the Department of Transport without rising to voice in the house the disappointment of my riding of St. Jean-Iberville-Napierville and of my neighbour riding of Chambly-Rouville—represented here by an hon. member who has already started making a fuss although he is not sitting in his own seat—and of the Richelieu-Vercheres area.

Mr. Johnson: Ignoramus.

Mr. Dupuis: Mr. Chairman, I would ask the hon. member for Chambly-Rouville to hold his tongue while I am speaking. The term "ignoramus" applies much more to the M.L.A. for Bagot and to the hon. member himself.

Some hon. Members: Order.

Mr. Johnson: Stupid.

Mr. Dupuis: Mr. Chairman, I ask you to request the hon. member to withdraw that word since the whole committee heard it.

The Chairman: I think that the word may be unparliamentary, and I would ask the hon. member to withdraw it.

An hon. Member: Even though it is true?

Mr. Johnson: Mr. Chairman, I said imbecile. If the hon. member for St. Jean-Ibervnlle-Napierville feels that the word applies to him; if he wants to take it for himself, he could do so. If he thought this word was meant for him, I am sorry that I used it and I will take it back since he feels insulted.

Mr. Dupuis: Mr. Chairman, if the hon. member does not want to withdraw his word without reservations, I would ask him at least to keep quiet when I have the floor. I would also ask the hon. member for Roberval (Mr. Tremblay) to be kind enough to contain himself. I know that he is a bit of a show-off, but it would do him good to contain himself.

Now, Mr. Chairman, I genuinely intend to inform the Canadian government of the disappointment of the people of the whole Richelieu district who are again this year faced with the fact that the federal government for another year will not give any consideration to the well-founded petition of the chambers of commerce, the boards of trade, the municipalities, the members of parliament for the area, to the effect that a study of the Richelieu waterway be undertaken immediately.

In 1958, a delegation from our area, headed by mayor Fiset, of Sorel, met with the Prime Minister of Canada (Mr. Diefenbaker) in the railway committee room. On that occasion, the Prime Minister promised in the presence of the then minister of transport and of many members of parliament that he would immediately look into the matter of the Richelieu waterway project. Well, Mr. Chairman, that was four years ago and yet, again this year, we notice that there is no item in the Department of Transport estimates for a study of the Richelieu seaway project.

Indeed, Mr. Chairman, I say that by refusing to give immediate consideration to that project, the minister is delaying works which, in the opinion of well-meaning people, would remedy the economic recession with which we are faced today not only in our area but throughout the province and the whole of Canada. I see that the Minister of Transport is shaking his head.

Mr. Balcer: Mr. Chairman, on a point of order. The hon. member says that I refuse to consider the problem of the Richelieu waterway. I have never said that. I even repeated at least ten times in the house that the officials of my department were continuing to make a technical and economic study of the project.

Mr. Dupuis: So, Mr. Chairman, the minister says he did not refuse. He says his department is considering the matter; but he is giving us no assurance, as far as results are concerned, absolutely nothing. The minister not only disappointed the one who now has the floor, but the chambers of commerce which had come to Montreal in December to hear him. At that time, the minister said the waterway project was not self-sustaining. That is what the minister said in December 1960.

For many years, all the experts in this field have been claiming that the Richelieu waterway project is feasible for Canada and the United States. In recent years, the American government voted moneys so that U.S. army engineers could study the project.

The Conservative government of Canada is doing absolutely nothing, and the minister claims in this house that he is not against such a study. It may be true that he does not refuse to study the project, but it is also true that there have been no results since his

appointment, and his predecessor has done nothing at all to promote the study of the Richelieu waterway.

Mr. Chairman, as I said before, in the last four years, that is, since the delegation from Sorel came to Ottawa in 1958, members of the opposition have done their duty. Every year, the hon. member for Laurier has taken up again the matter of deepening the Richelieu. He asked the government to study this important project. Every year since 1958, the hon. member for Richelieu-Vercheres (Mr. Cardin) has repeatedly asked the minister to look immediately into the possibility of deepening the Richelieu. Never, under any circumstances, in four years have we seen our friends opposite take the slightest step in order to promote the Richelieu waterway project.

Mr. Johnson: That's not true.

Mr. Dupuis: The hon. member for Chambly-Rouville says that it is not true. But I do state that in four years he has not uttered a single word about it.

Mr. Johnson: I rise on a question of privilege, Mr. Chairman. This is precisely an example of the unfairness of the hon. member for St. Jean-Iberville-Napierville. Indeed I made a speech on this matter in 1959.

Mr. Chevrier: Order.

Mr. Johnson: I made one this year and last year; therefore, the hon. member has no right to say that.

Mr. Chevrier: There is no question of privilege there.

Mr. Johnson: You are full of wind.

Mr. Chevrier: What did you just say?

(Text):

Mr. Jones: The Chairman is on his feet.

(Translation):

Mr. Chevrier: Mr. Chairman, I rise on a question of privilege. I ask the hon. member for Chambly-Rouville to repeat what he just said.

The Chairman: I must start by dealing with the first issue. I would ask the hon. member for Chambly-Rouville to wait until the hon. member for St. Jean-Iberville-Napierville has finished if he wants to make certain comments.

Should the hon. member for St. Jean-Iberville-Napierville wish to yield the floor to let him make his remarks now, he is entitled to do so, but the hon. member for Chambly-Rouville must seek his permission.

[Mr. Dupuis.]

Mr. Chevrier: I rise on a point of order, Mr. Chairman. I ask the hon. member for Chambly-Rouville to repeat what he said a moment ago.

Mr. Pigeon: He has no orders to take from you.

The Chairman: I fail to understand how an hon. member can rise on a point of order and ask a member to repeat what he has said.

If the hon. member for Laurier is complaining of what was said by the hon. member for Chambly-Rouville, that is a different story. But it would not be in order to ask him to repeat.

Mr. Chevrier: The hon. member used an expression which cannot be repeated. He should be ashamed of using such expressions in this house.

Mr. Dupuis: As you can see, Mr. Chairman, if the member for Chambly-Rouville would only keep quiet when someone is speaking he would spare us all those discussions which lead nowhere.

Mr. Chairman, I would ask you to call the member to order. I cannot continue if he keeps this up.

Mr. Tremblay: Let us have another speaker then.

The Chairman: I beg all members to keep in mind that they should not interrupt the speaker, and I would ask them to let the member for St. Jean-Iberville-Napierville proceed with his remarks.

Mr. Dupuis: The member for Roberval said—

I would ask you, Mr. Chairman, to call the member for Roberval to order.

The Chairman: I would ask the hon. member for St. Jean-Iberville-Napierville to be less touchy.

I do not believe he was disturbed to that extent.

If he feels that the slightest noise in this house brings him short, I think he is going a bit too far. On the other hand, knowing the hon. member, I would say that he is not too nervous and that normal interjections do not disturb him.

I pray the hon. members to let him continue.

Mr. Dupuis: Thank you, Mr. Chairman, for recognizing that I am not too nervous.

For my part, I am pleased to let you know that I want to proceed with my speech and that I would like some order in this house.

The Chairman:: Order, order.

(Text):

Mr. Woolliams: Go ahead, let us hear it.

(Translation):

Mr. Dupuis: Before my hon. friend the hon. member for Chambly-Rouville interrupted me, I was saying that he had not risen in the house since 1958 with regard to the Richelieu project.

It is true that he did not raise his voice in the house. What else can I say? I just checked, before coming in, in order to be quite sure—

Mr. Johnson: Mr. Chairman, on a question of privilege. This needs quite a lot of cheek to say. If the hon. member does not read the record, it is no fault of mine. If he is too busy selling records in Quebec—

The Chairman: Order. As I said, the hon. member will have the opportunity to make corrections. I shall therefore ask him to let the hon. member for St. Jean-Iberville-Napierville continue his remarks.

Mr. Dupuis: I would point out to you, Mr. Chairman, that the hon. member for Chambly-Rouville—

Mr. Asselin: We are anxious to hear your speech.

Mr. Dupuis: I am anxious to begin. As I said—and I repeat—the hon. member for Chambly-Rouville never rose since 1958 to deal with the Richelieu project, until last week, on a Saturday, when he probably felt the election coming and that his status of silent member might have an unfavourable effect at the polls.

Mr. Johnson: Mr. Chairman, on a question of privilege. The hon. member says I am a silent member, but for the past ten minutes he has been upbraiding me because I talked.

Mr. Dupuis: Mr. Chairman, I shall go on with my remarks.

The Chairman: Order.

Mr. Dupuis: Mr. Chairman, I shall go on with my remarks.

I would point out to Your Honour that the atmosphere in the House of Commons is losing much of its dignity since the arrival of some Union Nationale members.

Mr. Johnson: Since your arrival, mainly.

Mr. Dupuis: I say it is deplorable that in the estimates of the Department of Transport there is no vote providing for a study of the Richelieu waterway project.

When, following his speech in Montreal, I asked the Minister of Transport in this house to tell us on what basis he stated that the Richelieu project would not pay its way the minister just answered that such was the view of departmental experts.

We wanted to know which experts? What report did they submit?

We asked him to table the said report for the enlightenment of our people. The minister did not want to do so. He even asked me to withdraw my motion for those papers.

Now, Mr. Chairman, I wonder what makes the Minister of Transport act so mysteriously?

If the Richelieu waterway project is not economically sound, let him prove so, let him give us some figures, some facts, let him quote some engineers' reports, since he says he has such reports.

Thus we might put the discussion on a solid basis.

But the minister just says: I have some reports to the effect that.... But he takes good care not to table those reports.

Mr. Chairman, as long as the present Minister of Transport refuses to table those reports which he says he has to the effect that the Richelieu waterway project would not pay its way, we shall keep coming back to that subject.

On the other hand, the chambers of commerce will all go on asking that consideration be given to the Richelieu waterway project in order to establish clearly and positively whether the project is economically sound or not.

The Minister of Transport, on the one hand, asserts that the waterway would not be economic, while on the other hand, every engineer and town planner and expert in the field, both in Canada and the U.S., says the scheme would be economic.

Mr. Chairman, I would rather believe people like Lieutenant-Colonel Dansereau, who at the same meeting sponsored by the chamber of commerce, had this to say, and I quote:

> It is about time Canada and the United States made a joint study of the Richelieu waterway scheme.

I would rather believe such people than the minister, who tells us he has unfavourable reports but refuses to table them in the house.

Mr. Balcer: I have no right to table them.

Mr. Johnson: Why table them?

Mr. Balcer: I have no right to table them.

Mr. Dupuis: You keep repeating you have no right—I say you do have a right to quote figures and facts.

We do not even know what would be the course of the waterway, we do not know where it would be located, yet the minister says the scheme would not be economic. Well, I say to the minister that we, the members representing that area, believe, just as the hon. member for Chambly-Rouville indicated last Saturday, that the scheme would be economic. We in the area believe, as the chambers of commerce and the board of trade have indicated on many occasions, that the Richelieu waterway would be economic. We also believe, as was stated many times by the New York-Vermont interstate commission, that a Richelieu-lake Champlain waterway would be quite economic both for the United States and Canada. We also believe the report of the joint Canada-U.S. joint commission, to the effect that the development of the Richelieu would be good business, but that it should not be rushed, and that we should wait and see the results of the St. Lawrence seaway.

Now, the St. Lawrence seaway scheme was started under the Liberal administration, and was officially opened by the Conservative party, in 1958.

Since 1958, according to the report of the Canada-U.S. joint commission—which incidentally is made up of reliable people—Canada should have been studying the problem of the Richelieu waterway. Since 1958, the American government has been sending the Canadian government notices, requests and demands urging the joint study of the waterway scheme. And what has been done on this side of the border? We have adopted a completely negative attitude. Yet it was those same people who, in the last elections, said they would undertake great public works so that people would not suffer from unemployment. Not only do they refuse to undertake the work, but they refuse to spend one single penny to initiate a study of the scheme.

I think the present Minister of Transport, who comes from the province of Quebec, should be ashamed for rejecting the demands of a whole area and refusing to initiate even a survey to establish whether or not the scheme would be economic. He can offer absolutely no excuse—

Mr. Tremblay: Demagogue.

Mr. Dupuis: Such an attitude on the part of the minister cannot be condoned.

[Mr. Dupuis.]

No one expects work on the Richelieu waterway to start tomorrow morning. We are just asking that the economics of it be looked into. The minister cannot have us believe that the officers of his department, who are very busy people, can effectively look into the problem of the Richelieu waterway. The officers of his department have neither the time nor the intention to prepare a report, particularly if the present situation is maintained.

Since 1958, the American authorities have realized that the civil servants had no time to look into the problem, so they appointed a commission of experts from the U.S. army, and voted funds to conduct this survey. The Americans are now in a position to say that the waterway would be economic. In fact, the American government has figures, suggested locations and results.

On the Canadian side, however, we have lost four precious years and do not yet know where we stand. If the Diefenbaker government had been consistent when representations were made by a delegation from the Richelieu area that came to Ottawa in 1958, it would immediately have gone into action and would have appointed engineers. It would immediately have initiated a study of the Richelieu waterway scheme, and now, after four years, we would not be left with nothing. On the contrary, we would have the result of a serious and careful study, we would be four years ahead.

What have we had under a Conservative government? Four years of indifference, procrastination, and neglect, four years of nothing.

Well, Mr. Chairman, if the Minister of Transport cannot find a way to begin this study, to try to remedy the economic situation that is bad not only in the province of Quebec but elsewhere, if the government—

Mr. Tremblay: Especially in the province of Quebec.

Mr. Dupuis: I remind the hon. gentleman from Roberval that, of course, it was inherited from Mr. Duplessis.

Mr. Tremblay: Especially in the province of Quebec, with Mr. Lesage.

Mr. Johnson: If Mr. Lesage is the heritage left by Mr. Duplessis, we will waive it.

Mr. Dupuis: Why don't you call in the children from St. Hyacinthe and complain to them.

Mr. Johnson: I am not the one who does that; Mr. Lesage writes himself letters.

The Chairman: If the hon. members have problems to settle, I suggest that they do it elsewhere.

Mr. Tremblay: Go on with the comedy, its funny.

Mr. Habel: Mr. Chairman, on a point of order. It seems to me that we must maintain a certain decorum in the house and that all members are bound to do this, even those who, I would say—I do not want to use an expression often heard in this house—are just ignorant or stupid, and that even hon. members in the class of the hon. member for Roberval (Mr. Tremblay) should be forced to abide by the rules.

The Chairman: The hon. member for Cochrane (Mr. Habel) has just repeated what I said earlier—that the hon. members should not interrupt the member who has the floor. However, one cannot expect the house always to be silent, but at times the noise is more aggravating than at other times. I think the hon. member for St. Jean-Iberville-Napierville should now be able to go on with his speech.

An hon. Member: He has plenty of time.

Mr. Dupuis: Then, Mr. Chairman, I continue.

All has been said on the Richelieu waterway. I do not intend to go over that subject and quote all of its history as the hon. member for Chambly-Rouville did last Saturday, following the hon. member for Laurier and the hon. member for Richelieu-Vercheres (Mr. Cardin).

Of course, the Richelieu waterway would shorten the distance between Montreal and New York by 1,200 miles. Naturally, this 1,200-mile short-cut would provide innumerable advantages to companies and industries. And the waterway is also desirable for the tourist industry, since it would attract numerous tourists to this country every year.

Everybody is asking for that project but the present Conservative government through its Minister of Transport, is evading the question and like an ostrich, burying its head in the sand.

Thousands of unemployed are asking for something, the economy is suffering, not only in my district but elsewhere, but the government persists not only in refusing to act, but even in refusing to undertake a study of the problem.

Mr. Chairman, we will very shortly be judging the last four years of Conservative administration; next year we will see the Conservative administration has achieved absolutely nothing in any field; and we will then be able to say that, if the Conservative government refuses to the constituencies of St. Jean-Iberville-Napierville, Brome-Missisquoi, Joliette-L'Assomption-Montcalm, Chambly-Rouville and Richelieu-Vercheres to undertake a study which would save them, we, of the Liberal party, who will be in office very shortly, will undertake those studies for the benefit of that region.

(Text):

Mr. Horner (Acadia): I should like to speak for a minute or two on this particular item. My main concern is, perhaps, with the Canadian National and its operations. The Canadian National operates numerous branch lines in my constituency. I am well aware of the causes for laying off men from railways such as dieselization, the centralization of car shops and repair shops, the advent of the steel wheel, roller bearings, steel box cars and so on.

The thing which concerns me particularly, and concerns my constituents, is this new regional set-up with regard to management. There are five vice presidents and each vice president is to manage his regional area. This may well result in an improvement in the management of the Canadian National. It may speed up railway operations and make the railways more competitive. However, there is a great fear among railway workers that railway operations are becoming top heavy, that we are getting fewer and fewer workingmen and more and more administrators. Then, too, costs go up to a greater extent with additional superintendents and vice presidents. In this connection, I am thinking particularly of expense accounts. Certainly, some of the vice presidents can run up large expense accounts. We have never had any figures given to us to indicate what the total of these expense accounts would be which are run up by the various managers and vice presidents of the Canadian National.

Another thing that concerns me is the lengthening of the sections and reduction in the number of section men across Canada. I can well understand that dieselization would bring about a reduction in car repair shops but why should it bring about a reduction in the number of section men and the lengthening of sections, particularly when there is no improvement to the track in those various areas? Does this procedure cause more accidents on the railway line? We are certainly all well aware of a number of accidents over the past years that have been brought about for one reason or another. Could those accidents have been prevented if the section crews had not been reduced in some areas?

Another matter about which I have been wondering is whether the increased amount of advertising has paid off. We are now spending in the C.N.R. approximately $2 million

on advertising alone. Has the deferred payment plan for passengers increased revenue derived from passengers? Hon. members may think that these questions could be well asked in the sessional committee which deals with the C.N.R. However, may I say that I have not been fortunate enough to become a member of that committee, as far as I know, and I am therefore putting these questions forward.

This afternoon I noticed that the hon. member for Vancouver East made a speech with regard to C.N.R. operations and how irritating conditions were for a passenger travelling on the C.N.R. trains. I must say that I have noticed things similar to what he mentioned. I note that these things were brought to Mr. Gordon's attention in the report of 1959 by the hon. member for Battle River-Camrose. He dealt with them at length at page 81 of the minutes and proceedings and evidence of the committee. He told Mr. Gordon that he should have somebody make some inquiry into these conditions with regard to passenger service on the trains, and mentioned instances of persons having boarded and found the coaches practically empty in some cases but yet it was difficult to get a reservation on a particular line. Mr. Gordon as much as told him at that time that these conditions did not exist and that, if they did exist, he did not know about it; and he as much as said that he was not going to do very much about it if they did exist.

The hon. member for Vancouver East went on to speak about the sham battles that take place, and are becoming more and more evident day by day, between the railways buying up trucking firms and so on. The hon. member for Vancouver-Kingsway, as will be found in the minutes of proceedings and evidence of the 1960 committee, made a motion to the effect that these figures be given and that no money be appropriated for the C.N.R. in order to further these expenditures for trucking interests. This can be found at page 221 of the proceedings of the sessional committee on railways, air lines and shipping. But what did the hon. member for Port Arthur say at that particular time? I am reading from the third paragraph on page 221. He said:

> I would like, if I may, to speak against Mr. Browne's motion.

Then he goes on to state some of his reasons. However, the point I wish to raise here is this. Two days ago the hon. member for Port Arthur got down on his knees, figuratively speaking, and pleaded with the members of the House of Commons that they help him in the sessional committee this year to get facts and figures on the operations of the Canadian National Railways. Here was a specific motion made by the hon. member for Vancouver-Kingsway with regard to facts and figures on the operations of the C.N.R. What did the hon. member for Port Arthur do? He rose and spoke against the motion. Yet he has the gall to rise in his place here in the house and plead with us to help him to get facts and figures. It was purely a publicity speech for his own purposes designed to enhance his personal prestige in his own constituency. He made no real attempt in the committee at various times to promote the ideas in which he professes interest.

Hon. members know that this is not the only time this situation has arisen. Going back to the committee of 1959, I find that a similar situation arose when the hon. member for Victoria, B.C., wanted information with regard to the Victoria harbour and the docks there. He suggested that this information be given to the committee as found at page 197 of the 1959 report. Various members spoke for and against the motion. I looked for the name of the hon. member for Port Arthur in order to find whether he had said anything about the motion. Here is more evidence as to whether or not he wanted facts and figures at that particular time. I went from page 197 to page 208 and as found at page 208 the hon. member for Port Arthur said, "I do not like that motion". Then as found at page 209 he went on to speak with regard to another subject. Here again is evidence of the sincerity of his approach in pleading with the members of the House of Commons to support him allegedly the lone person asking for facts and figures in regard to the operations of the C.N.R.

Another instance arose. The hon. member for Vancouver South will likely remember it better than I do. It was with regard to R.C.A. Victor and their transmitting facilities on the C.N.R. I have not had the time to look up the exact quotation with regard to the hon. member for Port Arthur. At that time he did not support the hon. member for Vancouver South in the motion with regard to facts and figures on that particular aspect of the operations of the C.N.R. Yet he pleads with members of this House of Commons to support him in getting the facts and figures on the operations of the railway.

I have read through the remarks made by the hon. member for Port Arthur in the last two years with regard to the operations of the C.N.R. He has been greatly concerned with the personnel and I agree with a great many things he has said with regard to the operation of the C.N.R. in the matter of hiring of personnel and lay-offs. I know how this matter concerns men working on the

railway. However, I fail to find in the last two years any instance where the hon. member for Port Arthur had asked for facts and figures. Here was the closest instance I could find. It is found at page 94 of the 1959 committee report. He said this:

> I am not asking for them, but I wonder if you have figures which would indicate the number of revenue passengers you need, say between Montreal and Vancouver to make the Super a paying proposition?

Then Mr. Gordon said this:

> I do not have them with me. They could be secured.
>
> Mr. Fisher: I do not want them.

This sort of thing occurred time and again. He made no real inquiry into the facts and figures with regard to the operation of the C.N.R. He was concerned about the personnel. In this matter I agree with him and I share his concern as to the reduction of employees of the C.N.R. I have a number of C.N.R. employees in my constituency. I find that they are more concerned about their jobs on the railway than they are about anything else. They are more concerned about their jobs than they are perhaps even about pay increases. I think that the committee inquiring into the C.N.R. this year, when it begins to function, should concern itself more with the actual prospects of the C.N.R. and their operations, whether or not these operations are a paying proposition, and that it should obtain facts and figures as to whether or not it was profitable for C.N.R. to sell certain various hotels or to lease other hotels, and that it should get down to the actual operations of the railway and tie that information in with the men that are employed on the C.N.R.

But when we consider the new party's approach to the C.N.R. and its whole operation, they suggest, "Take over the C.P.R. too". I do not know how this would improve or enhance the railway workers' jobs. I do not know how it would bring greater stability among railway workers, and I think this is their primary concern today.

To my mind it would bring about a greater amalgamation of the two railways and the firing of a greater number of employees, because in certain passenger lines, particularly transcontinental lines, one might be dropped and the other continued. This would have the effect of reducing the number of men employed by the C.N.R.

Not very long ago the hon. member for Port Arthur suggested to this house that Donald Gordon should be fired. He put it as plainly as that and said it three or four times. I am not going to lead the committee into thinking that I disagree with him on this particular point, because I do not. I have studied the hon. member's remarks, and without doubt he has a great deal of information and knowledge in regard to the operations of the C.N.R., but I think he has been a secret admirer of Donald Gordon for a number of years.

I should like to refer to the famous Donald Gordon statement which is to be found in the 1959 committee report. I am sure most hon. members have heard it by now and are well aware of it. I refer to Donald Gordon's remarks when it was suggested he should be fired:

> —the management of the C.N.R. an efficient management, or otherwise; and if you come to the conclusion it is not, for God's sake tell us and fire the lot of us.

When he suggested this, the hon. member for Port Arthur did not immediately say, "Yes, we should fire you" or anything of the kind. He was rather silent. He made one short remark after that, "That is up to the House of Commons to decide", or something like that. But at no time, to my knowledge, in the three cases I have cited, has the hon. member ever gone against the wishes of Mr. Gordon in supporting the motions that were moved with regard to the trucking industry, the harbour at Victoria or the transmitting services of R.C.A. Victor.

Therefore I question this idea of his to fire Donald Gordon. I think it is one he gathered just recently when he was back home among the railway men and they told him that Donald Gordon was pretty unpopular. I think he grasped the idea and perhaps said, "I will see that he is fired", or, "I will try to have him fired; I will suggest it to the House of Commons". It would be a mighty popular suggestion to his people back home, and this is no doubt why he said it.

An hon. Member: It was just politics.

Mr. Horner (Acadia): I do not want to deal with the recommendations made in the royal commission's report at this time. They have been talked about enough. I will not refer to them now, particularly as the first volume is the only one that is out as yet. But as for this idea of the C.P.R. being taken over by the government, I cannot see how this would improve the government's or the workers' position. It may cut down transportation costs by a small amount, or a great amount; I do not know. Apparently none of the royal commissions which have studied transportation costs have been able to figure out what they are. Nobody has been able to arrive at a concrete answer as to a great many of the cost problems in railroading. Therefore I think it would be hard to prove that by taking over the C.P.R. we would actually be cutting down

transportation or freight costs by a great amount. But we would certainly be weakening the position of the men now working on the railroads. We would bring about chaos within their ranks with regard to holding a job and seeking employment in general.

My own view is that the C.N.R. is much like the operation of a hockey team or a ball team. The morale is mighty low. I am sure all hon. members have travelled on the C.N.R. and have found that the morale of the people working on the C.N.R. is low. I know that whenever a team's morale is low they are not going to win very many games. There is one thing that always enhances the morale of a team, and we see this done often in football and baseball. They are always firing coaches to improve the morale and get the winning spirit back in the team.

I think this applies to the C.N.R. We must fire the coach to improve the morale of the team. This would bring about a greater improvement in the deficit figure and in the revenue of the C.N.R. than anything I can think of right now. Firing the coach would bring about a greater improvement because the morale would immediately be boosted and the workmen's efficiency might improve. To some extent I agree with the hon. member for Battle River-Camrose and the hon. member for Vancouver East, that there is room for improvement in the efficiency of operations in the C.N.R. and the total efficiency of the workers. As I have mentioned, the morale is low, and I think by firing the coach the morale would immediately pick up.

I also have one more thought that I might just as well leave with the committee. It is with regard to the coach's salary. We are now splitting up the administration of the C.N.R. into five regions, as I understand it. Five vice presidents are going to have managerial control over their particular regions. They are going to have control as to setting the rates in each region and as to getting out and seeking freight to haul in those regions.

Therefore those vice presidents are going to carry a greater load of the responsibility in the operations of the C.N.R. To my reasoning this will automatically reduce the work and the responsibility of the president of the C.N.R. Therefore I think—and I recommend this to the committee—that the salary should be cut in half and that a new coach should be hired.

Mr. Fisher: Mr. Chairman, I simply want to ask the hon. member a question. I did not catch the start of some of the things he was crediting me with, but did he say that I did not support the motion of the hon. member for Victoria, B.C. two years ago in committee when the hon. member requested information?

[Mr. Horner (Acadia).]

I am almost positive that motion went to a vote and the hon. member for Burnaby-Richmond, and perhaps one other hon. member and myself, were the only ones who supported the motion of the hon. member for Victoria.

Mr. Horner (Acadia): I do not want to state something that is not correct. I am very sorry if the hon. member did support it. I was basing my remarks strictly on the record.

The hon. member for Victoria raised the subject, as reported at page 197 of the committee report. I looked for the name of the hon. member for Port Arthur and I failed to see it. I am just taking a rough check to see if I overlooked the hon. member's name. It does not appear until page 208, at the bottom of the page. I will send the report over to the hon. member for Port Arthur if he wishes. He is reported there as saying, "I do not like that motion". I do not know how he voted; it is not in the report.

The Acting Chairman (Mr. McGee): The hon. member for Kettle Valley West.

Mr. Herridge: Excuse me, Mr. Chairman; it is Kootenay West. Apparently you, sir, have the idea that I am going to speak on a favourite topic.

After the torrent of words uttered by the hon. member for St. Jean-Iberville-Napierville my effort this evening will appear like a slow-flowing, babbling brook. After listening to the hon. member for Acadia, with his lion-like form of eloquence, I shall appear like a lisping infant.

Mr. Chairman, I rise to briefly mention one matter that is of some concern to myself and a number of other persons who are interested in the prevention of pollution of our lakes, springs, rivers and waters generally. I rise because I have a particular and personal knowledge of the pollution of some of our smaller streams and lakes in British Columbia, as the result of mining companies being permitted to dump tailings into them. This has in a very short time destroyed fish life, spoiled the water for drinking purposes and so lessened the value of the area that persons no longer wish to boat on these streams and lakes. Crystal-like sheets of water have been changed into turgid, and in many cases, slimy sheets of water. So far the pollution has been on a limited scale, and in recent years the government of British Columbia has taken action to prevent the continuation of this vandalism by making it obligatory for mining companies to install settling ponds; they are no longer allowed to dump their tailings except in special circumstances in very deep water.

I was interested in a proclamation announced in the January 25 edition of the *Canada Gazette* Part II, volume 95 under the heading "Navigable Waters Protection Act—Proclaiming Water Lot in Labrador Exempt from Section 20 of the Act." I shall read just a section of this proclamation which gives me great concern.

Whereas in and by section 22 of the Navigable Waters Protection Act, chapter 193 of the Revised Statutes of Canada, 1952, it is provided that our governor in council may, from time to time, by proclamation, declare any navigable rivers, streams or waters or part or parts thereof, exempted, in whole or in part, from the operation of those sections of the said act which prohibit the deposit of rubbish or other material in navigable waters,

And whereas an application has been made by the Labrador Mining and Exploration Company Limited for exemption from the operation of section 20 of the said act of a water lot being all and singular that piece of land covered by the waters of Wabush lake in the electoral district of Labrador North described as follows—

I am not going to read out the description of this land. The proclamation continues:

And whereas it is expedient and our governor in council has advised that a proclamation do issue declaring that the area described above be exempt from the operation of section 20 of the said act.

Now know ye that we, by and with the advice of our privy council for Canada, do by this our proclamation declare the area described above exempt from the operation of section 20 of the Navigable Waters Protection Act as aforesaid.

I raise the matter on these estimates because I understand there is a dual responsibility with respect to the administration of the Navigable Waters Protection Act, shared by the Department of Public Works and the Department of Transport. It may be that special circumstances do justify this exemption under section 22 of the act, but I am raising this matter because I think all Canadians and especially members of this committee should be completely aware of what may lie ahead if our waters are allowed to be further polluted.

I wish to ask the minister a series of questions. Where is Wabush lake which is mentioned in this announcement? What is its size? Was the Department of Fisheries consulted before exemption was given under section 22 of the act and this company was given permission to pollute this water by dumping its mining tailings into the lake? Would the minister mind telling the committee the character of the residue in the mining tailings, whether they are of an acid type or not? Will this pollution of the water in accordance with the permission given destroy the fish in this lake, and will it destroy the possibility of the development of this lake for recreational purposes? Is it sufficiently close to ordinary transportation facilities to be developed in the near years ahead for recreational purposes? I should like the minister to explain the reason why this exemption was given, because I think this is a matter of importance, particularly in view of the increasing interest of Canadians in the pollution problem with respect to our waters and the growing demand for the protection of the fresh water we have left in this country.

Mr. Matthews: Along with other members I should like first of all to congratulate the Minister of Transport on the fine work he has been doing. I do not know whether or not he is tired of hearing this, but his department and the hon. gentleman himself have been very co-operative and have helped me in a great many ways, so I am pleased to have this opportunity of thanking them.

The Department of Transport is one of the most important departments of our government, and presents perhaps the greatest challenge of our times to the people of Canada. Air transport in the world today is ever changing and Canada is just on the doorstep of the great things to come in this new age, the age of jet transportation.

Heavy jet aircraft introduced during 1959-60 have stepped up the pace of aviation and the jet aircraft to come will be larger and heavier than ever in the near future. The large aircraft manufacturers are spending millions of dollars on research; their designers are working on their drawing boards; their engineers are building models and testing them in their wind tunnels, and it is very necessary that countries that want to be part of the great future in air travel keep abreast of these advancements.

Until a few years ago, an air crash did not take nearly the toll of human life that it does with the new jets of today carrying over 100 passengers, and the jets to come will carry many more than today's air liners. The Department of Transport have their part to play in the matter of safe air travel and it does not stop with the inspection of aircraft. It should be the duty of the Department of Transport to build and maintain our airports and runways. These runways must be properly built for the new age, they must be wider, longer and more strongly constructed.

The terminal airports of our trans-continental and trans-ocean air lines which will use these future giant jets should be reserved exclusively for the use of these large aircraft. Feeder line aircraft should use another runway. The large jets should be able to make a direct approach, not a circuitous approach, as some of the air disasters have been caused by fast aircraft making a circuit while they have waited for a clearance from the control tower.

In the future, all aircraft other than trans-continental should have their own runway adjacent to the trans-world, or jet runway, and it is my thought that the Department of Transport should plan along these lines and start at once with their planning.

This age is indeed a challenge to Canada, but Canadians have met many challenges since the days of confederation and will meet many more. In the history of aviation, Canada and Canadians have been second to none. When we think back to the days of world war I, and the record that Canada achieved both in the building of aircraft and the training of airmen; when we remember the great Canadian bush pilots and the building of civilian air lines, we know that Canadians will always be in the van in the future development of our air transportation.

Mr. Chairman, in the early days I flew aircraft in Canada when there were no airports. We used fairgrounds. In those days there were no landing lights, and there were no rules or laws to be broken. We flew at night without running lights, and without landing lights. It is interesting for me to think back on those early days of flying. I remember that at one time in the city of Victoria we were trying to get permission to use a fairground for flying. One of the aldermen got up and said he was very much opposed to granting permission to any of what he called these infernal contraptions flying around. The aeroplane, in his opinion, was certainly not here to stay, and he was very much opposed to granting permission. However, there happened to be two or three younger men on the city council and finally they gave us permission to go ahead and put in an air field. It must be remembered we had no landing lights and no running lights; we had no radio to guide us, and once we were in the air we were on our own. We could fly at any time in those days. There were no regulations laid down by the Department of Transport covering this type of flying as there are now. We were all freelance flyers then and could fly at night if we were foolish enough to do so.

I remember in 1923 I was commissioned to fly a flying boat to Seattle to meet the *President Jefferson* liner from the Orient, to pick up pictures of the Japanese earthquake, and fly them to the *Illustrated News* of Los Angeles. I did not get very far. I had two passengers with me when I left the harbour some time after midnight, but unfortunately when we got airborne we developed motor trouble and had to land again. I always felt it was a log that we hit when landing, but it could have been anything. We turned over two or three times and ended up neck deep in water, and stayed that way until assistance arrived.

I have recounted this story to give hon. members an idea of the very fine and necessary work the Department of Transport has done in this field since the early days. With today's existing regulations we cannot get into that kind of trouble. I should perhaps also mention that we did not have to get clearance from Seattle, Washington, nor clearance when we arrived in Victoria, British Columbia. When we did finally pull the plane up, officials from the department of immigration arrived as well as officials from the customs branch, and it is very interesting to remember that those officials did not know how we should be entered in their reports, or what classification applied. Today all these details have been taken care of through the application of the many regulations and rules. I would suggest the implementation of these regulations by the Department of Transport had a good deal to do with the development of air transportation.

In those early days of barnstorming, pilots had to sell the idea of flying to their potential passengers. I am sure this spirit of competition had a lot to do with the building up and developing of present day air line services. I suggest that feeling of competition is still valuable and will be of value in the future to the improvement of air transportation facilities. I can well remember the airports of the early days. They were nothing compared to airport facilities of today. In those days, if a flying service had five or six planes lined up in a row, that service secured the major portion of the air traffic. Individuals would perhaps make ten week-end visits to the airfield and talk to three or four different pilots before finally being convinced that they should go for a ride. The pilot who had the best sales pitch was the one who acquired the business. A ten minute trip in those days cost $15. There was no jealousy between the pilots and the operators of the flying services because they felt the pilot who secured business in this field was doing his duty to convince people that this was a safe and good way to travel, and this type of salesmanship was responsible for the development of a great deal of interest in flying.

I believe our air lines are today on the doorstep of a tremendous advance in the transportation system, and I feel we should have two major air lines in Canada because with the proper development of this business one air line eventually will not be able to handle the traffic. I understand that Trans-Canada Air Lines are now accepting first

class transportation only. I feel that the Canadian Pacific Air Lines under the able leadership of Grant McConachie, who is one of our pioneer flyers who did a tremendous job for Canada in creating interest in this field of transportation, should be licensed to operate flights to London. If this air line used propeller type aircraft, such as the Britannia, many people would be able to afford to fly to London and return who are not at present day prices able to do so. I feel this would be a step forward in the development of the Canadian air transportation industry.

There are many people today who do not even consider making such an air trip because they feel the cost, in addition to the expenses of living ten days in a city such as London—visiting all the places and seeing all the things they should see there—is more than they are able to afford. However, with the provision of a cheaper service, such as I have suggested, I feel there would be an increase in air traffic. I would suggest that without this service provided by Canadian air lines, this potential increase in air passengers will be taken by foreign air lines. I am sure that Canadian Pacific Air Lines, which has always been a pioneer in this field, would do a marvellous job in this respect. When one considers the potential development which could take place in this direction and the benefits our air line services could derive in this regard one must come to the conclusion that this is a worth-while step to be taken.

Mr. Chairman, I should like to make it very clear that I believe Canadian Pacific Air Lines should be given the privilege of operating flights to and from London. I firmly believe there should be two large Canadian air lines operating with equal rights and licences both in Canada and international areas. I believe that competition in this field is necessary to the development of Canada's air transportation system so that it will continue to be considered among the best in the world.

I should offer as a further reason for the expansion of our air transportation system particularly in Canada, the necessity of having completely Canadian controlled air transportation facilities in the event of another war. I am not suggesting that war is an inevitibility, but I do suggest that during these days of continuous threat from foreign powers, we must build up our transportation system by increasing our facilities, and training more and more pilots. With two major Canadian air lines, many of these developments would take place normally.

Turning now to the situation regarding the Nanaimo airport—and I have drawn this to the minister's attention on other occasions—it is essential that the landing strips be lengthened. There is plenty of land available to the Department of Transport to do this. With the advent of jet cargo planes, both for defence and commercial use, it is very necessary that this work be commenced as soon as possible. The coast route to Alaska could be serviced from the Nanaimo airport. The Pacific route to the Orient could also be served from the Nanaimo airport, and transcontinental runs could originate from that same airport. In view of the fact that Nanaimo has become a regional defence centre I suggest that it is very important that our air terminal facilities be improved. Nanaimo is centrally located on Vancouver island and must have the central emergency air service to take care of any necessary evacuation and emergency flying, as well as mercy and rescue flights.

To ensure the provision of these services I suggest that the Nanaimo airport runway must be lengthened by 1,850 feet and rebuilt to sufficient strength to receive aircraft of a gross weight of 200,000 pounds. Taxiways must be lengthened and strengthened, and a ramp area would have to be constructed in such a manner as to accommodate aircraft of the size of the DC-8, the Boeing 707 or the Vanguard and Britannia. Airport lighting will also require major improvement, and a passenger terminal would have to be built with facilities to accommodate more than 100 persons, but not more than 200 persons. The purchase of fire fighting equipment and airport maintenance equipment would be very expensive. However, such equipment is mandatory for the type of airport envisaged.

I also suggest that negotiations with field suppliers prior to the construction of the ramp area is essential in order to ensure that adequate fuelling facilities are available. Basic radio facilities and navigation facilities would have to be installed—such as I.L.S. and V.O.R. This would also be very expensive. Additional communications and staff facilities would be required in order to provide proper meteorological services and air to ground communications.

An alternate airport for international air services must contain such facilities as accommodation for customs, immigration and health. Nanaimo has less fog than other west coast cities. Airplanes cannot fly into Vancouver at certain times of the year and have to go up to Ashcroft but at Nanaimo we have less fog than Victoria and less than they have at the R.C.A.F. airport at Comox. All of these things should be taken into consideration because today an accident is a terrible thing. You have a loaded jet with over 100

people. Someone has to answer for the accidents when they happen. An examination is made to find out who is to blame. In this day and age there is no reason why there should be poor airports on the trans-continental runs.

I urge the Minister of Transport to give this matter serious thought as there is no doubt in my mind that some day the western terminal of trans-continental airlines will be in Vancouver. I made a statement which appeared in the *Daily Colonist,* back in 1923 that in the near future there would be an air service between Victoria, Seattle and Vancouver. Many who read that statement in the *Colonist* did not believe it, but, as we know, it has been a fact for some years now. I repeat, I believe that Vancouver island will be the western terminal of Trans-World Air Lines in the future.

I am sure the minister will give these suggestions proper consideration because he is very anxious to do and is doing a very fine job for aviation in Canada and in respect of the many other fields which come under his department. I know he will do what is right. I would certainly like to have the minister out in Nanaimo with me. I could show him just what I have in mind there. I am sure he would agree with me it has more possibilities than any other place on the coast.

Mr. Southam: Mr. Chairman, on rising to speak on the first item of the estimates of the Minister of Transport I should like to avail myself of this opportunity, on behalf of myself and my constituents and in collaboration with my colleagues, to express my congratulations to the minister in his new portfolio. I have found that I receive very good co-operation from the minister on problems that affect my riding. I feel, judging by the compliments I heard coming from my colleagues, that he will have a long and successful tenure of office in this portfolio.

The subject that brings me to my feet tonight is something that is very serious and affects a great number of my constituents in the northeast area of the constituency of Moose Mountain. I refer to the people who live along and adjacent to the Reston and Wolseley line of the C.P.R. To give the committee a few statistics on it, the construction of the line was commenced in the year 1905. and completed in 1908. The construction was started at Reston and reached Wolseley three years later. The distance was 122.18 miles of rail and 5.68 miles of side track on the division. It paralleled the C.N.R. line for approximately 100 miles, and crossed the line at Maryfield. In 1958, 1,156 carloads of freight originated along the line and 310 carloads were brought into the stations on the line. Revenue earned in 1958 amounted to $326,757. The southern portion of the line is 85 pound steel and the remainder 56 pound steel. The 85 pound steel was laid only a short time ago.

The problem is this, Mr. Chairman. On December 2, 1959, the C.P.R. made application to the board of transport commissioners to abandon this whole section of line. As I said a moment ago, you can imagine the concern and worry of the people living adjacent to that line when word came through. Immediately upon application by the Canadian Pacific to the board of transport commissioners to abandon that line a meeting was called of the people affected, and the then minister of northern affairs and national resources, now the Minister of Agriculture, and I attended the meeting. A retention committee was set up, chaired by Mr. A. G. Kneeshaw—Mr. Sundstrom was secretary and Mr. Bildfell was treasurer—with members from every municipal administration along the area. They developed a very good brief or representation to make to the board of transport commissioners in their application to oppose the abandonment application. I should like to give the committee a few figures because I think those gentlemen are to be congratulated on the very good job they did in developing this brief. I give this information because I think this problem is pertinent to a lot of other places in western Canada and is of particular interest at this time when we hear recommendations from the MacPherson royal commission on the Canadian Pacific and the Canadian National suggesting the necessity of cutting down services on these lines.

The population living along this line is considerable. I should like to give the committee a list of the names of the towns affected. They are as follows: Ewart, Ebor, Maryfield, Fairlight, Walpole, Wawota, Dumas, Kennedy, Bender, Neelby, Windthorst, Baring, Deveron and Adair. Chief among these 14 towns or villages are the towns of Maryfield, Fairlight, Wawota, Kennedy and Windthorst.

In these particular villages and towns are 23 elevators. I mention elevators because years ago in the west when this line was put through it was with the chief idea of transporting livestock and grain which were produced in those rural areas. As a result, the construction of these numerous elevators has been a very important part of the economy of those particular towns. I should like to say to the committee that it is still very important. I was interested in some of the figures compiled by the retention committee. It seems that in the nine year period from 1931 to 1940, the average production of grain at that time was 814,100 bushels. In the 11 year period from 1949 to 1959 the average was

2,280,000 bushels, almost three times as much. Therefore, Mr. Chairman, I would suggest that it is very important to the people living along that line that this fact be considered because we still think there is no other medium besides railways to move efficiently and effectively bulk products such as grain. We do have a road system out there. It is not as modern as some of the roads in the more populated areas. They are gravel roads which are used for the trucking of a certain amount of livestock, but the basic commodity is still grain and it is the basic concern of the people in the area.

Let me give a brief run-down of the population and some of the cost figures. I should like to include some of the figures of the population of the villages and hamlets affected. They are: adults, 617; children, 412; total, 1,029. The population on farms is as follows: adults, 1,326; children, 1,153; total, 2,479, or a grand total of 3,508, who are directly affected, both socially and economically, by the application to remove this line.

I do not think, Mr. Chairman, there would be too much objection to the over-all principle of a cut-back in service on the railroad, but when the application was for the total abandonment of it you can imagine how serious it would be to this portion of the population.

Let me give a résumé of the household property. These figures were arrived at by the retention committee through sending out a questionnaire to every householder affected by the railway abandonment. The questionnaire was quite lengthy and interesting. They got a very comprehensive and informative set of figures. The total value of householder property affected is $1,569,470. The amount spent in construction and remodelling since 1940 totals $813,380. The estimated loss if this line were abandoned is $784,645.

In so far as business properties are concerned, I might say that the value of land for privately owned and public buildings including halls, rinks, churches, schools, etc., is $73,066; value of buildings, $1,145,950; value of equipment and stock, $790,868. The total value amounts to $2,009,884. The estimated cost of rehabilitation should this line be abandoned is $411,400.

I have been dealing with the urban area, and I should like now to deal with the rural area. The number of farm units affected is 662. The number of acres of farm land in the affected area amounts to 420,630; the number of acres cultivated, 242,027. There are 480 owners, 120 owners and tenants and 62 tenants in this area. The estimated value of farm land is $8,956,985. The improvements since 1940 amount to $2,252,650. The value of machinery purchased since 1940 is $6,388,994. The total value of all buildings and machinery on farms amounts to $8,641,644.

The area affected is a prosperous mixed farming community. This committee secured figures to indicate the total amount of livestock on this particular land. The livestock total is made up as follows: cattle, 21,124; sheep and swine, 3,341; chickens, 27,390, with a total value of $2,942,340. The total elevator capacity of towns on the line is 1,052,000 bushels. The amount of grain storage required is estimated at 953,500 bushels. The estimated cost of providing this storage is $358,150.

The committee also gathered some statistics concerning what it would cost the municipalities to provide roads in order to assist the farmers in moving their grain by truck should the line be abandoned. The estimated mileage of the new roads necessary is 144 miles. The estimated cost per mile is $3,860. The estimated cost of bridges is $27,900. The estimated loss to buildings and property would be $84,500, for a total of $116,260. The estimated yearly cost of extra road maintenance is $19,442.50 and the estimated yearly loss of taxes, $10,991.04. The total of these two items is $30,433.54.

In so far as the villages affected are concerned, the number of persons who would be put out of work is 33. Since these 33 people are the heads of families, the total number of people involved would be 126. The yearly loss of taxes on railway property would amount to $2,832.99; the yearly loss of taxes on elevator property, $6,749.02; the yearly loss of taxes on other businesses, $2,996.37. The total of these items is $12,578.38 The total estimated loss to municipalities and villages, therefore, would be $159,271.92.

These figures roughly represent urban and rural property, businesses, livestock, machinery and so on with a total value of about $25 million. Then, of course, there would be the social and economic effects on the lives of about 3,500 people. Following these representations to the board of transport commissioners a hearing was held by the board at Moosomin on June 20 of last year and an order was issued by the board on December 12, 1960. This order reads as follows:

In the matter of the application of the Canadian Pacific Railway Company, under section 168 of the Railway Act, for an order authorizing the abandonment of its operation between Reston, in the province of Manitoba, and Wolseley, in the province of Saskatchewan, being all of the Reston-Wolseley subdivision, a distance of 122.18 miles:

H. H. Griffin, assistant chief commissioner; J. M. Woodard, commissioner; W. R. Irwin, commissioner; ...

It is hereby ordered as follows:

1. The Canadian Pacific Railway Company is authorized to abandon operation of its Reston-Wolseley subdivision between Reston, in the province of Manitoba, and Wolseley, in the province of Saskatchewan, a distance of 122.18 miles.

2. The said abandonment shall not take place earlier than the first day of August, 1961, on not less than ninety days' prior notice forwarded to the municipalities, towns, villages, elevator companies and elevator associations located along the line to be abandoned; a copy of the said notice shall also be filed with the board.

This decision, Mr. Chairman, caused a great deal of surprise and alarm among the people of the area because they felt that the strong representations they made and the statistics they presented concerning the effect of the abandonment on their economy, would have caused the board of transport commissioners to find in favour of their petition. As a result of this finding, the committee had recourse to two alternatives. The first was to apply to the Supreme Court of Canada on the basis of legal technicality, if there were any, existing in the order. Of course, the members of this transport board are qualified gentlemen and there were not any such loopholes in the authorization. The other alternative the committee had was to apply to the governor in council under section 53 of the Railway Act which reads as follows:

The governor in council may at any time, in his discretion, either upon petition of any party, person or company interested, or of his own motion, and without any petition or application, vary or rescind any order, decision, rule or regulation of the board, whether such order or decision is made *inter partes* or otherwise, and whether such regulation is general or limited in its scope and application; and any order that the governor in council may make with respect thereto is binding upon the board and upon all parties.

I might say that the railway retention committee has taken advantage of the provisions of section 53 of the Railway Act and has made representations to the governor in council to have this order rescinded. I should like to suggest through you, Mr. Chairman, to our good minister that he give every consideration to this application to have the order rescinded. I feel that this should be done on the basis of the following grounds, and I shall mention at least three important factors.

First, I feel that the decision was premature and the board should have awaited the report of the MacPherson royal commission. In the second place, when one compares the evidence and facts presented in connection with this application for the abandonment of the Reston-Wolseley line with several other applications for abandonment made at approximately the same time, one finds glaring inconsistencies in the order authorizing the abandonment of the line. I feel that this is something that should be looked into. The third point concerns some compromise arrangement. Not too far distant from the Reston-Wolseley line is another line operated by the Canadian National which I mentioned earlier crosses at Maryfield, and I feel that rather than cut out all the services on either one of these lines a compromise arrangement might have been made whereby these two lines would have been merged into a circuit; then the railways might operate one train a week to remove the grain from along the route and the freight from the towns in the affected area.

There is one other point that should be mentioned, namely the economic factors involved in connection with these rural villages and towns if there were a complete abandonment of the line. We all realize that the railroads developed the west and made it known as the breadbasket of the world in the last 50 years.

I might suggest that this is one of the better farming areas in that part of Saskatchewan. It is interesting to note that it has one of the highest concentrations of population in that part of the farming area. It is also interesting to note that it has one of the highest livestock populations per capita of any place in Saskatchewan. In addition, the area is noted for some of the highest quality livestock. This fact was most forcibly brought to my attention a year ago last fall when I was attending the royal winter fair in Toronto. I made inquiries from some of the people in charge of the livestock exhibits there. They told me that 101 head of cattle had been selected from Saskatchewan for exhibition at the royal winter fair. I was greatly interested and proud to note that, out of the 101 head of livestock being exhibited at Toronto, 36 head came from the riding of Moose Mountain. This information indicates the calibre of the livestock raised there and of the people engaged in producing these high quality products.

I feel that the mechants and business people in these towns, particularly the major ones I mentioned, would suffer great hardships both economically and socially, if the line were completely removed and they were forced to sacrifice their businesses, because that is what it would mean. It is extremely hard to remove a business lock, stock and barrel and to find an economic opening somewhere else, as in some neighbouring town. The result is that these people would never be able to overcome the economic loss they would suffer through abandonment of that line.

As I mentioned earlier, the elevator companies affected would also be serious losers

in any move like this. I should like to mention in passing that there are seven different grain companies situated on this line. These are the Manitoba pool, Searle Grain Company, Saskatchewan wheat pool, Parrish and Heimbecker, National Grain Company, Lake of the Woods Company and N. M. Patterson Company. The other 16 elevators out of the 23 elevators I mentioned are made up of the wheat pools, either the Manitoba pool or the Saskatchewan pool, and I think one other town has a National Grain Company elevator.

I think one of the salient features is the fact that, in the handling of agricultural products in the west, grain elevators perform one of the basic functions. Most people from the west will appreciate what I am referring to now. If the line were abandoned completely, it would mean having these elevators demolished at some cost and possibly having them reassembled at other points at a loss or possibly it would mean a complete loss. In addition, abandonment of the line would make it necessary for people living in the rural areas to transport grain over greater distances, as I have pointed out, at greater cost to municipalities trying to provide roads and so on.

On the basis of the foregoing information I most emphatically protest the proposed abandonment of the Reston-Wolseley subdivision of the Canadian Pacific Railway and would ask the minister to give this matter, when it comes to his attention before the governor in council, his very earnest and serious consideration.

(Translation):

Mr. Johnson: Mr. Chairman, at the very outset of my remarks I should like to draw the attention of the Minister of Transport (Mr. Balcer) to a problem concerning more particularly the municipality of St. Hubert in my constituency of Chambly-Rouville.

My suspicion that a problem will come up in a year or two arises from an article which I read in the Montreal *Gazette* of April 19 last, concerning the establishment of a NORAD control centre at St. Hubert airport. No doubt you will allow me to read into the record part of this article in order to point to the nature of the problem and explain it, and above all to indicate the solution which I intend to suggest to the Department of Transport in order to settle it. Here is the article of the Canadian Press which apparently originated in Ottawa:

(Text):

The headquarters of the largest and possibly most vital of the regions through which North American Air Defence Command exercises operational control over combat forces will go underground next year, informed sources said yesterday.

The headquarters will be moved from the R.C.A.F. base at St. Hubert, to an underground combat centre at Trout lake near North Bay.

The move is merely awaiting completion of the centre which will house the SAGE—semi-automatic ground environment—electronic system which will control the operations of both manned and unmanned interceptors.

(Translation):

This is not confirmed news, but merely a rumour circulating in military circles and more particularly at army headquarters.

In that case, it seems to me that St. Hubert airport would become a less important military airport and that the number of civilians now working there would probably decrease.

Mr. Chairman, if it is true that such a decision is to be taken by the Department of National Defence, I shall accept the sound reasons advanced for it since this is an important defence problem.

If such a decision were to be arrived at, the government would have the responsibility of using that airport for civilian purposes. If it is decided to remove all the airmen now posted at St. Hubert, the airport will be free and may become a completely civil airport. If they only cut down the military forces, the airport will still be available for civil purposes. I would therefore suggest to the Department of Transport to consider the possibility of making use of the St. Hubert facilities for civil purposes and it is my opinion that this could be done as soon as the authorities of the Department of National Defence decide to move out since there is already some talk about decentralizing the Dorval services. And it will probably be necessary to plan for a civil airport in some other place for test flights or for passenger or freight services.

Mr. Chairman, I offer that suggestion to the Minister of Transport, knowing that he will refer it to the proper person and that he will see to it that his officials study it calmly in order to determine whether it is not possible to reach some practical decision.

I offer that suggestion in quite a selfish intention in my capacity as the member for Chambly-Rouville since the idea is to prevent family wage earners in the St. Hubert, Chambly, St. Bruno, Beloeil and St. Hilaire area from losing their livelihood because of that necessary and warranted decision of the Department of National Defence which could have a serious impact if the government should decide not to make use of that airport.

I know the wisdom of the Conservative government, the Conservative cabinet, and particularly the wisdom of the Minister of Transport and I do not think that there

will be any recurrence of what happened under former regimes, according to reports—we will not see any completely abandoned airports that are not used for civilian purposes, when civilian aviation facilities are greatly needed.

Mr. Chairman, may I now examine another problem, namely the problem of passenger transportation from downtown Montreal to Dorval airport. I asked a question to the Minister of Transport in that connection. I asked him if he would forward a suggestion to the railways. I asked him if it would not be possible for the railway companies to provide rail transportation between Dorval and the large hotels and railway stations in downtown Montreal.

I received letters of appreciation in this connection, indicating that such a solution in itself was excellent. There were even some newspaper articles. The next week the Montreal *Star* published a study of the question. It had to do with questions to the railway companies and the air lines.

The air lines were obviously most favourable, but the railways were reticent. Yet, if the C.P.R. does not want to do anything, the C.N.R. could possibly examine the possibility of such a service.

Allow me, sir, to quote part of an article written by Alfred Ayotte about that matter in *La Presse* of March 4, 1961—please forgive the personal references, my modesty will suffer—I quote:

> The suggestion of the member for Chambly-Rouville, Mr. Maurice Johnson, to establish a railway link between the Dorval air terminal and Montreal central station is excellent. We must add that it is excellent in principle, because according to information we have been able to gather, there would be some difficulties in the implementation of such a suggestion. The Minister of Transport, Hon. Mr. Balcer, has passed on to the C.N.R. Mr. Johnson's idea and he has admitted that it has created keen interest among the public.
>
> After what the newspapers have published about the existence of a taxi monopoly at Dorval airport and the inconvenience that resulted for patrons, a railroad would be a relief.
>
> Railway travel offers two advantages: speed and low fares. Would it not be wonderful to leave the plane and get aboard a commuter train to reach downtown Montreal in a short time as it is done in Belgium and as it is probably done in Italy? Indeed, some airports are serviced by trains elsewhere in the world.
>
> A little train takes only twenty minutes to cover the distance between the Brussels airport and the Belgian capital.

After a rapid calculation, I would say that it would take about that time to travel from Dorval to the centre of the city. I will now continue my quotation:

> Travellers only have to go down a staircase to reach ground level. In Brussels itself, the trains reach the station underground. The fare is only the equivalent of 50 cents, in Canadian currency.
>
> Will we be getting the same thing in Montreal? The railroads are non-committal on that point. They are considering the question from a financial point of view and wondering whether a line a few miles long or a few acres of tracks and the inauguration of frequent commuter trains on tracks which are already quite busy, would be profitable.
>
> If they go by the number of passengers in 1960-61, they may well doubt that such a new train service would be profit-making; but if they stopped to consider that in five to ten years from now, the number of passengers will have greatly increased, they would be justified to conclude that the income would justify the expenditure.
>
> In any case, the idea is in the air. It is now up to the railway people and to the Department of Transport to consider the matter and appraise the cost of railway development near the air terminal. If the project could materialize, it would bring about the solution of a ticklish transportation problem.

I would add, Mr. Chairman, that it would perhaps be desirable, when the railway companies change their schedules or their services, either by adding or removing trains, that their decisions be made known to the public. It did happen that railways had some lines in operation on a temporary basis, in anticipation of a special event or that they established new permanent lines without advertising them, in order that the general public might be informed and be able afterwards to use the facilities offered.

As an example, I take the case of the train between Granby and Montreal, when the Canadian National had established a train service in 1959 between those two places, for the duration of the centenary of Granby. Recently, representatives of the Canadian National were complaining of the lack of passengers on that train. It so happened that nobody knew, that publicity was lacking, perhaps as much on the part of the organizations responsible for the centenary celebrations, but certainly on the part of the Canadian National. That is why the service did not have the success desired or hoped for.

Mr. Chairman, I therefore submit this problem to the attention of the minister. I would ask him to put the necessary pressure on the railway companies, in order that they may consider this problem and take a decision, rather than have the matter shelved.

Now, Mr. Chairman, I take the liberty of commenting on a matter which does not come directly under the Minister of Transport. I do not want the minister to think that I am in any way blaming his department or his officials in this regard. However, I should like to deal with this matter just the same,

because it is of general interest and the company involved, the Bell Telephone Company of Canada, must, to a certain extent, be subject to the authority of the board of transport commissioners which comes under the Department of Transport.

Time and time again, in cases of emergency, people have to dial a number to reach someone, without knowing that number. In such cases, they dial the numbers of the Bell Telephone Company information service.

God knows how long the operators take before answering. We have the same thing in the long distance service at night. Of course, I cannot believe it is the operators' fault, unless I am shown evidence to the contrary. It seems to me that their number is much too limited for the requirements of the job. It is time that the company attempt to better that service because, when it applies to the board of transport commissioners for an increase in rates, it will be extremely difficult for the customers to accept any increase.

When the company applied for an increase not so long ago, if I remember correctly, it alleged some extension to or improvement of its services. Since then, I did not notice anything of the kind with regard to information or long distance services. As I said before, it is certainly not the operator's fault if there are too few of them. It is the company's fault which refuses to employ enough people to ensure good service.

Mr. Chairman, as the voters in Chambly-Rouville know, I am particularly interested in the Richelieu seaway problem. I heard my colleagues make some improvised speeches on the subject. I also heard the hon. member for St. Jean-Iberville-Napierville (Mr. Dupuis), earlier this evening, make a statement on that seaway issue. I would like to be able to examine the issue calmly and see what he did say in his speech. The hon. member dealt with the economic soundness of the project. If my memory serves me right, he said that according to various people the project would be economically sound. Now, I shall ask the hon. member, to name those people and authorities because that is precisely the most important point in respect of the Richelieu seaway project.

We cannot but wonder whether, once it is built, that seaway would pay its way. Unfortunately, I did not find any authority or any qualified and competent person having studied the problem who could tell us authoritatively whether the project would be economically sound.

Please note, Mr. Chairman, that I should like to hear someone say so, but I would like to know the people, and be given the references according to whom and which the seaway would be sound, if it were built. That is the most significant point, and because the economic soundness of the project is still unknown, the chamber of commerce of the province of Quebec does not ask this government to undertake the Richelieu seaway project now, alone, or jointly with the government of the United States, without previous consideration.

The Quebec chambers of commerce which are anxious to arouse public interest for this project, dare not maintain that the seaway would be economically sound. What is requested by the chambers of commerce of the province of Quebec and by all the experts who have studied the problem, is that a study be made of the feasibility of the scheme. At the December meeting, which was attended by the member for Richelieu-Vercheres (Mr. Cardin) and the member for St. Jean-Iberville-Napierville—whom I did not see before the banquet in the evening—and also by a number of people interested in the scheme, no one among all the experts and among all those who had studied the scheme was able to answer this question of the economic feasibility. I even raised the question with a representative of the port of New York who was giving a talk on the subject. Questions had to be put down in writing, so I wrote my question, and when it came up, the chairman of the panel—it was no doubt a diplomatic gesture—referred the question to a town planner who had been studying the problem. No, I am sorry, he asked the question of another person, a Montreal economist, I think, who came up with some general considerations but would not come out with a definite conclusion.

Though I have been dealing with this matter of economic feasibility, Mr. Chairman, I would not want the voters or rather the people concerned in the Richelieu area, to think I am against the scheme. I merely raise the question in the hope of getting an answer. I suggested last week, as I did in other speeches and in private conversations, that the question be referred to a joint commission including a group of American representatives, or to a strictly Canadian body. After all, we must ask ourselves whether the Richelieu canal, once developed, would be in the best interest of Canada. That is the point.

Mr. Chairman, I am not in any sense anti-American. However, I am now reading a book written by an authority in the field, the hon. member for Laurier (Mr. Chevrier), and I remember the Americans were not too

enthusiastic about the St. Lawrence seaway. They had to be coaxed into it, and the Canadian government had to take the lead. Then when it comes to the Richelieu waterway, the Americans suddenly start pushing very hard. One is inclined to wonder whether they are not primarily seeking the interest of the United States, which would of course be quite legitimate. However, we must again ask ourselves, before getting involved, whether this scheme is economically feasible.

Having argued that the scheme would be economic, the hon. member for St. Jean-Iberville-Napierville stressed the urgency of getting the work started and finally wound up by saying that everyone was asking for a study, and not for an immediate start on the actual work. That is the basic contradiction in the speech of the hon. member for St. Jean-Iberville-Napierville. We shall have to wait for the official translation of the speech made by the member for St. Jean-Iberville-Napierville before quoting from it, but if I remember correctly, he said the St. Lawrence seaway had been inaugurated by a Conservative government in 1958. If I am not mistaken, Mr. Chairman, I think it was in 1959. I trust that the hon. member will correct his statement later. Anyway, the official opening was made in 1959 by a Conservative government.

Mr. Chairman, I do not want to bore the house, but I think it is important in order to set the record straight that I take up certain statements the hon. member for St. Jean-Iberville-Napierville made about me. He criticized me, it seems, for not dealing with the deepening of the Richelieu. I dealt with that project only last Saturday. Besides, for his information, I would ask him to refer to the speech I made on June 11, 1959, in this house. I would suggest that he read it, so that he will be better informed and, perhaps, learn to make a speech with a purpose.

Since 1959, indeed since 1958, instead of crying from the house-tops that the government was doing nothing, I have endeavoured to get interviews to discuss this problem with the federal government authorities in order to get them interested in the problem. So, I firmly hope that the government will listen to my representations.

However, Mr. Chairman, I did not allow myself to discuss this project with political passion.

I could remind the hon. member for St. Jean-Iberville-Napierville of the courtesy he showed when he organized at his place a seminar of members of parliament, supposedly representative of the Richelieu region, but including only Liberal members.

[Mr. Johnson.]

As there were not enough Liberal members at the federal level, he added Liberal members of the provincial legislature, who of course have no direct interest in the study of this project, because it is the responsibility of the federal government, and not that of the provincial government, to settle that problem.

Mr. Chairman, when we criticize the Liberal members for having become talkative on the Richelieu waterway only in the last couple of years, I find it strange that they answer that they, at least, have done something.

It is indeed strange to note that the member for Laurier was the minister of transport when the St. Lawrence seaway was developed. It was claimed that his acceptance of becoming head of the seaway authority meant a sacrifice for him.

Surely the hon. member for Laurier knew that it was possible for the engineers, investigators and others studying the St. Lawrence seaway project to investigate at the same time the feasibility of a deepening of the Richelieu.

I understand that at the time the member for Laurier was looking westward from Ottawa, not eastward. He had his eyes set on Stormont. Since then, I understand he has moved to Mountain street, in the riding of Laurier.

Mr. Chairman, it is an odd thing to do for the former minister of transport and former president of the seaway authority and now member for Laurier to claim that this problem should be considered.

I repeat: why did he not see to it at the time that the St. Lawrence seaway authorities consider the deepening of the Richelieu when it was the time to do it, when everything was organized for a complete study and, especially, an economic survey?

Mr. Chairman, to come back to this matter of economic feasibility, let me put on the record a last explanation.

I have asked the member for St. Jean-Iberville-Napierville to quote the authorities who could prove that the deepening of the Richelieu would be a paying proposition. I have here a survey entitled:

(Text):

Improvement of the Champlain Waterway: An Exploratory Investigation by Richard Clark Tefft—Abstract of Thesis—Submitted in partial fulfillment of the requirements for the degree of Master of Arts in Political Science in the Graduate School of Syracuse University. January, 1956.

(Translation):

Here is what it says about the economic feasibility of the Richelieu river project.

(Text):

Finally, I do not think that the ultimate decision as to whether or not the waterway should be deepened and, if so, to what depth, should be overly influenced by cost-benefit ratios. I do not deny the usefulness of ratios, but a dollar and cent sign cannot possibly be hung on the defence value of an improved waterway. Then too, I am struck with the highly problematical nature of benefit estimates. They cannot accurately take into account the future, if for no other reason than that they do not know what it will be. This is particularly true in a region that appears to be about to undergo the unusually rapid change that seems to be in store for the Champlain basin. It seems to me that only the most subjective measures of benefits can be made of this project and that the value of a deeper channel cannot be judged only in terms of the waterway. To be meaningful its value must be determined as an integral part of the entire regional development now in process including the St. Lawrence seaway and power project, the proposed northway, and the New York state thruway.

(Translation):

The Chairman: I am sorry to interrupt the hon. member, but I must tell him that his time has expired.

(Text):

Mr. McMillan: Mr. Chairman, I should like to deal briefly with tolls on the Welland ship canal. In 1958 the tolls committee of the St. Lawrence seaway set tolls for the operation of the canal in order to amortize the $29 million in capital costs involved in deepening the canal, over a period of 50 years. This was done on the basis of a 1959 tonnage forecast of 40 million tons, and a 1960 forecast of 43 million tons. During those two years the total tonnage that passed through the canal was 25 million tons below the estimate.

The income forecast for 1959 was $2 million, and the actual income was $1.2 million. The estimated income for 1960 was $2.2 million, but the actual was $1.3 million. The income was therefore down $1.7 million under the estimate. We find also that the cost of the operation is much higher than the estimate. As a result of this, the net revenues do not meet the operating costs.

I have always taken the position that charging tolls on the Welland canal would in effect toll lock all the ports around lake Ontario, as well as those on the Welland canal. Ships and cargos have free access from lake Erie to the head of the lakes. Ships cannot get out of lake Ontario without paying a toll, and I suggest this is an unjust discrimination against the ports on the shores of lake Ontario.

Most of the plants in Ontario which make use of waterborne traffic are situated on the shores of lake Ontario and the Welland canal. Industry located along the Welland canal when it was toll free. Industry has expanded and developed there on the assumption, and rightly so, that the canal would always be toll free.

The Welland canal was adequate for the purposes for which it was designed before its deepening, and the deepening of the canal did not provide any assistance to the plants to which I have referred. During the first year, its deepening was a hindrance rather than an assistance, because their own canal boats were held up by the slower European boats using the canal. I know of two or three instances when plant boats were held up as long as 12 hours.

Paper companies could not make use of deep draught boats because they obtain their pulpwood down along the St. Lawrence and around the shores of lake Superior, in areas that did not have deep harbours for loading. They therefore must use shallow draught boats.

There have been rumours in the area of the Welland ship canal that the canal is going to be twin locked. New industry will not settle there, nor will the industries which are there enlarge, because of the uncertainty of the policy of the government in this connection. I say this is uncertain, because of the fact that if new locks were built, and the cost was amortized over a period of over 40 or 50 years, the position of the plants along that canal would be economically untenable.

The tolls on the Welland canal were imposed, as I have said, in an attempt to amortize the original cost of deepening over 50 years as well as to pay operating costs.

At the present time the United States is spending $150 million to deepen the channels in the Detroit river, the St. Clair river and St. Mary river. I have seen references in the press two or three times reporting that the Americans have said they have the right to recover tolls in connection with the deepening of that part of their waterway if we collect tolls because of the deepening of the Welland canal.

I may say also that industries situated near the locks at Sault Ste. Marie have access to their properties without paying any toll. I think it is only right that industries along the Welland canal should have the same privilege.

The tolls structure was to be examined in five years. This would be in the fall of 1963. It strikes me that the capital cost, including the deficits, might easily be somewhere between $35 million and $40 million instead of the estimated $29 million. Therefore, at that time we would need to amortize the $35 million to $40 million over 45 years instead of

the $29 million over 50 years. To my mind that would put up the tolls even if we did not have any twinning of the locks. This creates uncertainty in the minds of people in the industries in that area. They have two uncertainties, one because of the deficits, and the other because of their fear of twinning of those locks. If the locks are twinned and they are charged for it in tolls it certainly will be disastrous for their industries. I would say that industries in my part of the country look at this matter with some concern. I should like to hear the minister pass some comment on it.

Mr. Small: I had almost given up hope that I would get on tonight. I am always glad to take the adjournment.

I covered a certain amount of the subject matter in connection with the Canadian National Railways when I spoke last but there are one or two things that I should like to clear up. The hon. member for Vancouver East touched on the matter of passenger service and dealt particularly with reservations. Without repeating what he said I can verify or corroborate everything that he said in regard to the matter of reservations and of having to wait and when you get to the train you find space had not been all booked up as you had been told. But the part that impresses me very much—and I think most hon. members have come to the same conclusion—is that the directors, whether it is the head of the board of directors or others, have come to the conclusion that they should try to fold up the passenger service in this country because it is not a paying proposition. Therefore, they are going to do their best to get rid of it. It is not a very easy thing to do because the minute a passenger line is slated for cancellation of course the members in that particular area are seized upon by their constituents and are asked to see that something is done about it through bringing it to the attention of the Minister of Transport.

Hon. members have been congratulating the minister all night. Probably the minister deserves our sympathy and condolences in his holding of this position because generally he is the whipping boy. He has to take the whip lash of every person in this house who has a grievance from his constituents, or from a person who was laid off by the railway. They come to the house and they confront him with the situation and he has to tell them that he will take it up with the president or the chairman of the board of directors. Then he comes back with the story that they have done their best but they could not avoid laying them off. They have to give them all a chance. This is what the Minister of Transport has to go through. It is not only this minister but the previous minister. They all go through the very same thing. The pattern is the same. They have to go off and come back with a story which alleviates the situation. Peace reigns until the next time someone is laid off. The whole sum and substance of the problem is that the railway passenger service is not paying and the managers of the railway have to fold it up.

What I say is that if the passenger service is not paying, then the wisest thing to do is to terminate it. But if the railroads are going to continue it, then they should give service. It is no use running a service that is down at the heels and is on a hodge-podge basis. If they are going to give service they should give the very best service there is. I do not think they are even trying to do that. If they were trying to give service, then they would have the trains running on time and they would be giving of their best; they would be giving what could be called a high-class service.

I have spoken time after time in the house and tried to depict what took place at the Ottawa station and also at the Toronto station. Whenever I ran into what I called shabby or sloppy service I would bring it up. When I first started I tried to put a little humour into it and depict it as I saw it. I tried to make sure I was not being too severe, but what I did was just entertain hon. members, and they thought it was nothing more than good humour. But when I started to comment upon the board of directors who I thought should do something about it, well, then, I saw there was a little change. They did attempt to do something about the situation in Ottawa; but surely they did not have to wait for 20 years to try to do something about improving the service in Ottawa. I will say this for them. They have taken the trouble to so bring in the trains as to make it easier for the people to get off the trains and come to the station. They now do not have to walk so far. The reason why I took this attitude was that I had seen some passengers who could hardly walk; they were lame or handicapped, and there was no service to help them carry their grips. Some of the people were obviously infirm or had heart conditions. They were subject to the inconvenience of having to walk a long distance.

Then I checked into the way in which the freight and also the baggage were handled, in the stations. I do not blame men for trying to earn their living; they are doing what they are told. They took the baggage from the express and they put it on a lorry. What did they do with it? They ran it over to No. 3 bay and put it on another car, waiting there,

instead of taking a truck or a car as it comes in to the bay and then transferring it over to another vehicle. That would save a lot of time and not inconvenience the passengers or the people in the station. One fellow said to me, "Why do they not do it this way?" I looked at him and said, "My dear friend, do you not understand why they do not do it that way? It is quite obvious they do not do it that way because it is the simple and proper way. That is why they are not doing it that way".

Mr. Chevrier: Ten thirty.

Mr. Small: May I take my turn next time?

Progress reported.

BUSINESS OF THE HOUSE

Mr. Chevrier: May I inquire what the business will be for tomorrow and Saturday, and could we get some indication of what we will be doing next week?

Business of the House

Mr. Churchill: Tomorrow we will carry on with the estimates of the Department of Transport and follow with the estimates of the Department of Justice; that is, for Friday and Saturday. Monday and Tuesday—

Mr. Chevrier: Pardon me; does that mean if we do not finish transport we shall take some other department on Saturday?

Mr. Churchill: No, we intend to finish—I am sure everybody wants to finish transport tomorrow—and this would leave Saturday open for the Department of Justice; but we will complete transport first. Then, on Monday and Tuesday we will deal with legislation and the house will be prepared for the items now on the order paper. I will announce tomorrow night the exact order in which they will be taken.

At 10.30 p.m. the house adjourned, without question put, pursuant to special order.

HOUSE OF COMMONS

Friday, May 19, 1961

The house met at 11 a.m.

EXTERNAL AFFAIRS

STATEMENT ON DISCUSSIONS WITH U.S. PRESIDENT

Right Hon. J. G. Diefenbaker (Prime Minister): Following the usual custom I intend to make a statement concerning some of the matters which were discussed between President Kennedy and myself, in order to amplify to some extent the terms of the communiqué which, as is the case with all communiqués—and I emphasize the comprehensiveness of that statement—did not cover in particular, or deal in detail, with what has taken place, for reasons which will be obvious to most people.

The President placed before parliament his views on certain major issues before us, and what he said to me personally was, of course, consistent with what he said in parliament although amplified in considerable detail. The scope of the discussions was set forth in the communiqué. While the nature of some of the subjects discussed denies that they be given public utterance, I think I can properly report on some of the main topics of the discussion.

As far as the world situation in general is concerned, there is a continuing crisis as the Soviet union wages its campaign for global domination, and the dust clouds of soft words and the periodic soft answers must not be allowed to delude anyone into believing that the Soviet challenge will not continue with unabated, or even increased, determination. However, today an announcement was made which all the world hopes will lead to an amelioration of relations between east and west. I refer, of course, to the prospective meeting between the President of the United States and Chairman Krushchev. Immdiately on his arrival, when we met together personally, the President gave me that information, and we both expressed the hope that out of that meeting in Vienna in consequence of the personal exchange of views might come, in the interests of humanity as a whole, that degree of agreement which has been the expectation and the hope of manking since 1946.

As far as our relations with the United States and the western hemisphere are concerned, President Kennedy laid strong emphasis on them, both in his public and in his private discussions. We reviewed the problems facing all the countries of North and South America, and noted the situation, among a number of these countries, in connection with different ranges and stages of economic development, and the special situations in regard to their social and political structures which have such a bearing on both their development and stability.

The President would welcome Canada's participation in the organization of American states. This, of course, has been discussed and was recently discussed in this house by the Secretary of State for External Affairs. So far as this question is concerned, which has been a continuing one throughout the year for the consideration of governments of Canada, it is still in that category and, of course, no commitments were made, or would be made, without parliament being made aware in advance of any such action.

I was much impressed with the emphasis which the President placed on the importance of the problems confronting our two countries' hemispheric affairs. I assured him that his views would be the subject of serious consideration. I referred to his reviews respecting membership in the organization of American states and the other problems that are incidental to that membership, and I should hope, that at an early date parliament will have the opportunity, if it so desires, of discussing this question.

With reference to Cuba, I made it clear to the President that the Canadian government has no intention of acting as mediator between the United States and Cuba. Indeed, as stated before, there was no foundation for the press report that such an offer had been put forward.

We discussed the affairs of southeast Asia, and particularly the situation in Laos and South Viet Nam. We are agreed on the objective of establishing a truly independent and neutral Laos, and of the necessity of securing general support for effective control machinery; because only if this is done will the Laos situation be resolved and peace and stability attained in southeast Asia. We discussed the experience of the international control and supervisory commissions, on which Canada has been serving, and the vital importance of the role of these commissions was emphasized.

It is natural that the question of Chinese representation in the United Nations at the next session of the general assembly should

have been canvassed, and we agreed to consult together, therefore, in the next few months in respect of this subject, because it will not come up for consideration until September.

The policies and programs of our countries in relation to underdeveloped nations received attention. We recognize that we now have, in the development assistance group, a new forum for reviewing and co-ordinating our programs in this field. I placed before the President, with some degree of pride, the outstanding record of Canada in aiding other countries since the end of world war II, and I also pointed out the very substantial increase in Colombo aid and in the general scale of aid that has been given since 1958.

There was some considerable discussion in the field of economic affairs. I pointed out that Canada has a tremendous balance of payments deficit in commodity trade, and that this was a matter that had to be resolved. Each of our countries is by a wide margin the other's most important trading partner. With the great volume and complexity of our economic relations it is realized that problems will arise, but what is of paramount importance is that these problems be met through discussion, by regular consultation and free exchanges of views and the continuing spirit of good will.

The European economic community and the tariff relationships now being worked out were discussed at length. Both countries have been working actively to ensure that trading relationships with this community should favour the maintenance and development of a large volume of trade in each direction. The importance of trading relationships with Europe would be considerably enhanced if the United Kingdom government decided to join the Six in the common market.

The problem that is common to both of us, namely farm surpluses, especially wheat, was discussed. We agreed to continue to work closely together in this field. I know the house will endorse the views expressed by the President on Wednesday about food surpluses and how to make constructive use of them. The food for peace program already embodies many of those ideas. I express my appreciation of the support which the United States has given to the Canadian suggestion for a food bank made at the U.N. and the F.A.O. My expectation is that some more specific proposals in this regard will be placed before the United Nations assembly in September.

Questions of defence were discussed mostly in connection with NATO. Emphasis was laid on the increase in the capability of the alliance to wage war defensively with conventional forces in order to reduce the likelihood of having to rely more extensively upon nuclear weapons for defence.

In so far as NATO is concerned, the views I expressed to the President were that with a population of about 400 million people and with a gross national product four tims that of the Soviet union, the NATO nations possess great strength, but that the strengthening of unity in NATO is a continuing imperative and must not be neglected. I believe that the leaders of the NATO countries will have to advance further than the steps already taken to strengthen wider unity, not only in defence but economically and even politically.

The position of affairs in West Berlin was discussed. It is of great importance to Canada, and Canadians should realize this fact; for Canada has undertaken, along with its NATO allies, serious commitments in regard to West Berlin and the maintenance of the freedom of the people of that city.

The President told me of what was taking place in Geneva from the point of view of the United States, and of the endeavour in particular to reach agreement on a pact to end nuclear testing. I believe that as we endeavour to bring about disarmament, an effective treaty to end nuclear testing is a basic step before any disarmament of a more general character can be achieved. I believe we must continue to press for controlled disarmament and in particular, in the light of the progress of the last few years in the upper skies and the recent achievements of Commander Shepard and Major Gagarin, we face the stern fact that without international control of space the future will be even more perilous than the present.

In so far as our purposes are concerned, I am of those who have advocated not only to the President but on other occasions that we in the free world should explain our purposes, our ideals, our aims, to the non-committed world to a degree that we have not done heretofore. I found in my trip to Asia some years ago that too often the interpretation of what we stand for has been left to the whims of the communists. Indeed, I believe that in 1918 when President Wilson made his declaration, and again in 1941 with the Atlantic charter, these declarations had a tremendous effect; and I feel that today the ideals of the free world should be restated in simple terms so that all mankind will know that we have joined in a declaration of principles, and that all with recognize in these principles the equality of races and will condemn discrimination in any form.

I think all of us were very pleased at the manner in which Canadians received the

President and his wife. I want to say particularly now much I appreciated the fact that, while no arrangements had been made for him to meet the members of this house and the other place, as soon as I suggested it to him on the evening of his arrival he said he fully understood that this would be the proper course to follow and in keeping with the responsibility discharged by the parliamentarians of this country. We recognize President Kennedy as the courageous, inspiring leader of the free world. He bears a tremendous burden. His concern is great: his dedication is great. I think our meeting together was worth while in every sense of the word, for it underlined that spirit of co-operation between our nations that is a model for all mankind.

Hon. Paul Martin (Essex East): Mr. Speaker, I am sure all members of the house are grateful to the Prime Minister for the statement he has made, and which gives some indication of the extensive character of the discussions between himself and the President of the United States on the occasion of the latter's visit to our country. As the Leader of the Opposition said, speaking outside this house, the visit of the President of the United States was both a happy and an important event. It was to be hoped that the agreeable character of this visit was shared not only by Canadians but by citizens of the United States generally. It is well that we should underline the importance of a visit from the head of state and the head of government of the most powerful country in the free world. This visit of President Kennedy will take its place with the visits of some of his predecessors, notably President Roosevelt, President Truman and President Eisenhower.

The Prime Minister has said that the communiqué which followed the discussions between the two heads of government was of such a general character that it should not be presumed to have covered even in any measure of generality the discussions which took place between him and the President. I am sure the Prime Minister will not misunderstand me if I say that while his statement this morning was much more extended than was the communiqué itself, nevertheless the statement this morning likewise is in such general terms that it is not possible to derive a clear appreciation of the full nature of the discussions that took place. I am not complaining; the character of international affairs requires that negotiations should at certain stages be conducted in secret. However, it is only proper to point out that the range of subjects which formed the basis of discussion between the President and the Prime Minister was of such a character as to give us at this time not much more than an indication of the nature of the discussions.

It is important to note that the Prime Minister said the June confrontation between President Kennedy and Chairman Khrushchev was a matter that was mentioned during their talks. This is an extremely important development. We can only hope that the necessary preparations will attend both President Kennedy and Chairman Khrushchev in this very important meeting which, I take it, is not of the nature of a summit meeting in the sense in which that meeting was understood last May. It is to be a brief meeting between the two heads of government. In any event, I am sure the Prime Minister would want Canadians generally to note that too much should not be expected from such a meeting. It would be better to have concrete results flow unexpectedly rather than to raise the anticipations of the Canadian and other nations and their peoples.

The Prime Minister said that he and the President discussed matters having to do with our relations with South and Central America. Indeed, in his memorable statement in this house the President called upon Canada to share to an even greater measure the responsibilities of hemispheric consultation and direction. The statement he made about Canadian participation in the organization of American states was couched in such terms as to warrant one in believing he had some reason for thinking that the government was going to make an important decision in this regard.

As the Prime Minister has said, it is not without significance that in the foreign affairs debate in this house two weeks ago, proposals were made for Canadian participation in the organization of American states, notably by the Leader of the Opposition. Since that time there has been a manifestation of increasing Canadian interest in the participation by Canada in the organization of American states and at the same time, in the face of what the Prime Minister has said today and what the President of the United States said in his speech here on Wednesday last, it would seem that the Canadian government is giving active consideration to participation in the organization of American states. If the government does announce its intention to participate in the organization of American states, the Prime Minister may be assured, it will receive the support of the members of the party on whose behalf I am now speaking, for we believe that the time has come when this step should be taken.

The Prime Minister referred to a whole series of other matters that were discussed,

including the situation in Asia and the situation in the Caribbean, as well as that in South America and in Central America and the admission of communist China to the United Nations. In that regard it is significant that the Prime Minister this morning said that further discussions between Canada and the United States will take place regarding this matter. The Prime Minister did not say whether, in his discussions with the President, note had been taken of the recent arrangements made with communist China for the sale of Canadian wheat and the relation of that arrangement, as noted by the Secretary of State for External Affairs, to the matter of Canadian recognition or Canadian acceptance of communist China in the United Nations.

Without traversing all the matters that were mentioned, among them the relation of the United States and Canada to the common market, I can only say that undoubtedly the Prime Minister meant to emphasize this morning the fact that he fully agreed with the President in what the latter had said as to the importance the government of the United States attaches to the organization known as O.E.C.D., which provides a liaison between certain countries, notably the United States and Canada, and the common market.

This visit of the President of the United States has come at a very important time in the administration of the new President. It has come at a very important time in the history of the world. This statement of the Prime Minister, couched in general terms, gives Canadians an opportunity of once again expressing their gratitude to the President for his visit and of once again affirming the friendship which this country has for the United States, recognizing as we do that an understanding between our two countries is essential in our own interests as well as in the interests of other countries which desire to see peace maintained at this time.

I should like to say that the words of the Prime Minister in this regard are echoed not only by those who sit on the treasury benches but by those of us who sit in the opposition and, I am sure, by the Canadian people generally. We are happy over this visit of the young President of the United States. We are happy because he affirmed the friendship of his country for us, and because he gave us an opportunity of letting him know that in matters of great moment at this critical time in human affairs, Canada understands not only its own responsibilities but those of the United States and other free countries which are anxious to pursue policies designed to maintain peace among the nations in this turbulent period of world affairs.

[Mr. Martin (Essex East).]

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I am sure the visit to Canada of President Kennedy and his charming wife has been welcomed by all Canadians. The warmth of the reception given to the President and Mrs. Kennedy indicates the very friendly relationship between our country and the United States.

President Kennedy, when he spoke in this chamber, did so in a very forthright manner and left no room for misunderstanding about the attitude of the United States to important international events. I had expected the President of the United States to give us when he spoke here, as he did, in clear and concise terms the position of the United States on many vexing world problems. But I am not at all certain that when the President made it so clear to us what he wished Canada to do with regard to certain important and controversial problems, it was of assistance to Canadians in coming to a conclusion. I say this because the conclusions that we come to on these important questions must, most clearly, be our decisions made on the basis of what we believe to be in the interests of freedom, the improvement of living standards of the people of the world, and of peace.

The President made it clear that from his point of view he wished to see NATO strengthened, not only in the role of conventional weapons but also as far as nuclear armaments are concerned, and that he was prepared to sit down and consider the working out of some arrangement, I take it to broaden the control of nuclear weapons in the hands of NATO forces and forces attached to NATO.

While there may be some difference of opinion among the C.C.F. people and others who are interested in the New party on the question of NATO, there has been no difference at all in our attitude toward handing to NATO and all its members nuclear weapons to be placed in the hands of NATO troops. We oppose this particular policy, and should this be the policy adopted by the NATO organization we shall certainly oppose it when it is undertaken. NATO continues to be strictly a military organization, and over the years we have emphasized that article II was the part of the NATO treaty that we wished to see expanded and developed.

The President made reference to O.E.C.D., as did the Prime Minister this morning. We think this organization is important. We think Canada should play a most active part, and we hope that O.E.C.D. will see the economic development of the north Atlantic area, and from O.E.C.D. can go some of the economic help that will improve living standards in large areas of the world.

The President had another important proposition to put before us. That was his view with regard to the organization of American states. The Prime Minister and the Secretary of State for External Affairs have said that the government is giving careful consideration to whether or not Canada should decide to join the organization of American states.

I said in this house on a previous occasion that in my view the time had come for Canada to join the organization of American states. However, I am prepared, with the Prime Minister, to give further consideration to this most important question; because while I do see some advantage in being a member of the organization of American states in a time when we are able to deal in a cool and collected manner with the economic problems of the hemisphere, it does seem to me there may be a temptation on the part of some to develop the organization of American states to maintain the status quo in certain South American countries. Or even worse still, some may hope that it can be developed into a military organization, which we think would be a very serious mistake. We are considering this question as is the government, and we think the government is correct in giving the Canadian nation ample time to consider the pros and cons before making any decision to join this organization.

There was one important statement made by the Prime Minister this morning which I was sorry to hear. It was that there was no truth in the newspaper reports that our Secretary of State for External Affairs had offered to mediate between Cuba and the United States. I think such an offer from Canada would have been wise. We can now see that the United States would have quickly rejected it. None the less it does seem to me that in the interests of peace and in the interests of the economic development of the hemisphere there must be some mediation in the conflict between Cuba and the United States. If we are to keep communism out of the western hemisphere, as we all wish to do, we must not be found on the side of dictators, on the side of vested interests and opposed to the improvement of health, education and living standards of the people of Latin America.

The Prime Minister went on to make some reference to China. He referred to the need to reconsider the admission of China to the United Nations. The Canadian government has said there can be no recognition of China. I think that Canada is, in an economic sense, recognizing China. It would seem to me that to undertake trade relations of a very extensive kind with China is in fact a type of recognition.

No less a person than Right Hon. Louis St. Laurent was reported in the press as having said that in light of the trade relations being developed between Canada and China he thought it only sensible that representatives of our country should be stationed in China and representatives of China should be stationed in Canada. We think this is a sensible attitude, and that it is only a matter of time before we do grant this type of formal diplomatic recognition to China, from which we think would flow improved and increased trade with China.

The President went on to emphasize—and in this we wholeheartedly agree—the need for those nations in the western world which have high standards of living to give a part of their production to improve the economic standards of people in less fortunate countries. The Prime Minister says that Canada has a good record in this regard. I will not dispute that but I will say that Canada's record should be much better than it is; that a record of $70 million or $75 million of economic assistance during the current fiscal year is not enough; that the figure of 1 per cent of the gross national product mentioned by the President of the United States is something for which we could well strive. I am convinced that by providing economic assistance we could do more than in any other field toward maintaining peace and improving economic relations amongst the peoples of the world.

We are glad, Mr. Speaker, that the President of the United States and Mrs. Kennedy have made this visit to Ottawa.

TRADE

JAPAN—STATEMENT ON VOLUNTARY CONTROLS ON EXPORTS TO CANADA

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, I should like to table copies of a letter, dated May 15, which I have received from the ambassador of Japan informing me of the voluntary restraints the Japanese government has decided to apply on the export of certain products to Canada for the year 1961. These decisions have been taken by the Japanese government following extensive consultations with the government of Canada. I assume the house will wish to have this letter printed as an appendix to *Hansard*. The comparable information concerning the Japanese voluntary controls for 1960 is found as an appendix to *Hansard* of May 5, 1960.

Perhaps I might make a few comments on the arrangements which have been made for

1961. It will be recalled that in 1959 and 1960 the Japanese government extended its voluntary controls to cover a wider range of textile products. Controls were maintained in 1960 on cotton fabrics, most cotton made-up goods, various garments of spun rayon and other synthetic fabrics and bedspreads and elastics of all fibres. All these products will, of course, remain under control this year. It has also been decided to add several new items to the list of products under quota control, namely dish towels, ladies' fabric dress gloves, nylon fabric and certain types of ribbons. Several quota categories which covered groups of miscellaneous products have been divided into smaller categories in order to avoid the risk of undue concentration on particular products. For several particularly sensitive textile products the quotas for 1961 are somewhat lower than for 1960, while for certain other products provision has been made for a moderate increase. The details of the arrangements for textiles are to be found in annex A to the ambassador's letter.

In mid-1960 Japan introduced for the first time a system of voluntary restraints on rubber footwear and rubber-soled canvas footwear. The levels of shipment in 1960 were not established on the basis of consultation between the two governments. For 1961, however, the Japanese government has consulted us about the nature and levels of the quotas to be applied on these products. The details will be found in annex B to the ambassador's letter.

There will now be two categories, waterproof footwear and canvas footwear. The category known as canvas footwear will now include shoes with rubber soles and fabric uppers of any kind. In particular it will include rubber-soled shoes with corduroy or velveteen uppers, which have been shipped to Canada in considerable quantity over the past six months. In order to make allowance for some of the shipments of these shoes which took place before the revised definition was adopted, a special quota of 360,000 pairs has been established for this year only. This is in addition to the basic quota on this product of 2,200,000 pairs.

As the house is aware, exports of plywood from Japan to Canada have been subject to voluntary export control for several years. Owing to the difficulty of predicting market demand for this product for the full year, the quota outlined in annex C relates only to the first six months of 1961. Further consultations will take place in relation to the quota for the second half of this year.

Although stainless steel flatware was first placed under voluntary export control in 1959, the Canadian flatware industry has continued to experience difficulty as a result of the volume of imports. Accordingly the Japanese government has taken the exceptional step of reducing significantly the export quota for 1961 below that for 1960. The figures appear in annex D.

In addition to rubber footwear several other items are placed under quota to Canada this year for the first time. These are transistor radios, radio and television receiving tubes, vinyl raincoats and polyester staple buttons. The arrangements for these products are set out in annexes E to H to the ambassador's letter.

The various measures described in this letter are being undertaken by the government of Japan in conformity with its established policy or promoting the orderly growth of Japanese exports to the Canadian market. May I say that I share the belief expressed by the ambassador that this policy of self restraint should pave the way for further expansion of two way trade on an orderly basis, to the mutual benefit of both countries.

Hon. Lionel Chevrier (Laurier): The statement which has been made by the Minister of Finance is an important one, since it has to do with quotas in connection with trade between Canada and Japan. It is, of course, impossible for me without having a copy of the statement, which contains a number of features affecting the textile industry and other industries in this country, to comment on it objectively. I should prefer to wait until I see the text; then if there are statements to be made they can be made at the opportune time.

Mr. Erhart Regier (Burnaby-Coquitlam): Our group is immensely pleased with the announcement which has been made. Over many years we have advocated planning between nations in respect to the exchange of commodities as opposed to raising tariff barriers. I am happy to note that this is a voluntary arrangement agreed to by the government of Japan. I hope the government intends to enlarge its activities in this field and enter into further understandings of this kind with other nations of the world in order that we may have an orderly economic life in our own nation without the upsets which are inevitably caused by ruthless competition in the world's trading field.

I noted particularly the expression of opinion by the minister at the conclusion of his observations to the effect that he was looking for an expansion of our trade with Japan. We hope his prediction in this respect will be realized. We need Japan as an active trading partner, and we believe there is room in Japan for the export industry of Canada. We hope that at no time will the

government revert to the old policy of using tariff barriers. We are happy with the new attitude which is being taken.

Mr. Speaker: Is it agreed that the letter and appendices referred to by the minister be printed as an appendix to *Hansard* today?

Some hon. Members: Agreed.

[*Editor's note: for text of documents referred to above, see appendix.*]

HOUSING

ANNOUNCEMENT OF FIRST OFFERING TO SECONDARY MORTGAGE MARKET

Hon. D. J. Walker (Minister of Public Works): Hon. members may recall that on April 17 I announced that the government had directed Central Mortgage and Housing Corporation to initiate the development of an active secondary market for National Housing Act residential first mortgages. This was to be accomplished by the sale of a part of the large and diversified portfolio the corporation has acquired as a result of extensive lending operations since 1957. In answer to several inquiries I agreed to make a further statement when the modus operandi had been worked out.

The corporation's first offering of National Housing Act insured mortgages will now be made on or about June 1. The initial offering, in an amount of approximately $15 million, will be made to members of the investment dealers' association of Canada, N.H.A. approved lenders and their N.H.A. approved correspondents. These organizations may then offer the mortgages for sale to pension funds, trusts, estates, holding companies and the public, or they may wish to hold the mortgages and offer debentures or other forms of security to small investors. Prospective purchasers should therefore get in touch with one of the organizations I have just mentioned, and not with the corporation itself.

The mortgages to be offered for sale in about two weeks time have been assembled in packages valued at about $500,000 each. Some packages consist of mortgages in specific centres; others have been prepared on a country wide basis. Each contains fully advanced 6¾ per cent N.H.A. first mortgages.

On or about June 1, Central Mortgage and Housing Corporation will invite sealed tenders from prospective purchasers and bids may be for one or more of the $500,000 mortgage packages up to the maximum of $15 million. Tender documents will be mailed by the corporation from its head office in Ottawa. I might add that options for up to 60 days will be considered. Tenders will close at 11 a.m. E.D.T. on June 19, 1961.

The corporation will not insist upon retaining the servicing. The purchasers of the mortgages may choose their own servicing arrangement. I should point out, however, that under provinsions of the National Housing Act an insured mortgage may be sold and the mortgage insurance continued only if it is administered to maturity by the corporation or by an approved lender.

No further sales will be made for a period of 60 days from the date of the original option.

Subsequent government marketing policy will be determined in light of the experience we gain from the first offering. I am confident, however, that development of an active secondary mortgage market will create not only a more regular but actually a larger flow of National Housing Act mortgage funds.

In concluding my statement may I reiterate that the sale of mortgages by C.M.H.C. does not in any way affect the interests of borrowers. These are established when the mortgage is made, and do not change when it is sold.

Mr. J. R. Garland (Nipissing): Mr. Speaker, we on this side of the house welcome this announcement of the minister in regard to the establishment of a secondary mortgage. We believe, however, that this move is long overdue. It will be recalled that we recommended the establishment of such a market on many occasions over the past three year period. Anything that can be done to encourage a steadier flow of mortgage money into housing will surely be welcomed by all groups in this house. We have seen the difficulties and great hardships which have faced the house building industry and the public in general, at a time not later than the year 1960, resulting from this lack of a steady flow as well as from the necessity, at times, of the government turning on and off the tap.

In respect to this announcement, I wonder whether I may be allowed to refer to a statement made yesterday by the minister regarding this same subject. This statement was made in Montreal and—

Some hon. Members: Order.

Mr. Speaker: Order. Before the hon. member embarks upon that course, may I remind him that statements are made and permitted by this house for the purpose of enabling the government to give information first to parliament, and not for the purposes of initiating a debate. What the hon. member proposes to do or say should be strictly in accordance with that principle and practice.

Mr. Garland: Thank you, Mr. Speaker. What I propose should perhaps be followed

up on orders of the day. I do want to say that we endorse very strongly any move in the direction, of a secondary mortgage market and it is to be hoped that there will be the greatest opportunity afforded for the broadest possible participation by the Canadian people in this particular program.

Mr. Erhart Regier (Burnaby-Coquitlam): Mr. Speaker, as indicated on another occasion, our group is heartily in accord with the plan of the government to establish what we hope will be a reliable secondary mortgage market in Canada. We feel this project will go a long way toward meeting the need for capital on the part of the house building industry.

I noted very carefully that the minister announced it was the government's intention to place—if I heard him correctly—only $15 million of the securities on the market. I believe this is a wise move indeed. I was afraid the government might have flooded the market with a much larger amount, because we do know the government holds $1⅓ billion worth of mortgage paper.

I can assure the minister that we welcome the move, and that we will be watching very carefully the method of its operation and particularly the effects on the market of any undue unloading on the part of the government.

[*Later:*]

On the orders of the day:

Mr. Erhart Regier (Burnaby-Coquitlam): Mr. Speaker, in view of the announcement of the Minister of Public Works, are the chartered banks of Canada going to be permitted to submit bids on the blocks of mortgages referred to by the minister? If so, would this not be circumventing the intent of the Bank Act which limits the earnings of the banks?

Hon. D. J. Walker (Minister of Public Works): The answer to the question is yes, but the banks would not be circumventing the Bank Act. The hon. member does not appear to appreciate that the banks can invest in securities yielding a greater rate of return than 6 per cent. With respect to lending to the public, and this is the distinction, the limit is 6 per cent. If the banks want to lend money on mortgages as approved lenders the rate is limited to 6 per cent. Does that answer the question?

[*Later:*]

On the orders of the day:

Mr. J. R. Garland (Nipissing): I should like to direct a question to the Minister of Public Works. It is based on a press report in this morning's Montreal *Gazette* reading as follows:

> Public works minister Walker yesterday urged development of a secondary market for mortgages in Canada to reduce—

This is the pertinent part.

> —dependence on government funds for new housing financing.

How does the minister reconcile this statement with his statement only one month ago that the funds to be realized from the sale of C.M.H.C. held mortgages would be reinvested in housing, thereby avoiding financial loss to the federal treasury?

Hon. D. J. Walker (Minister of Public Works): Mr. Speaker, there is no contradiction between the two statements. As a matter of fact we are very anxious to reduce the participation of government in mortgages provided we can get sufficient funds from the approved lenders. In order to reduce our call on the consolidated revenue fund for money to make direct loans we are creating a secondary mortgage market, which will involve our selling part of the stock of mortgages we have assembled over the years. The hon. member will realize, of course, that when we get cash from the sale of these mortgages we will be in a position to put that cash back into the market again without digging deeper into the consolidated revenue fund for further amounts.

Mr. Garland: Will the minister say, then, that all of the moneys realized from the sale of these mortgages will be reinvested in housing?

Mr. Walker: That, Mr. Speaker, is a difficult matter. My hon. friend will appreciate that it is impossible to give an accurate answer to a question of that kind in view of the fact that there might be more sales than the demand for new funds. On the other hand, the sales may be, and in my opinion no doubt will be, insufficient to provide funds to meet the constant demand we have for mortgages. My friend will appreciate that with 20,000 mortgages arranged this year, 9,000 have still been arranged through C.M.H.C. We would like to change that ratio and have a greater amount of these mortgages made by the approved lenders.

COASTAL FISHERIES PROTECTION ACT

PROVISION FOR EXTENSION OF FISHING ZONE

Mr. Frank Howard (Skeena) moved for leave to introduce Bill No. C-96, to amend the Coastal Fisheries Protection Act (twelve mile fishing zone).

Some hon. Members: Explain.

Mr. Howard: The Canadian government's position as presented to the first United Nations conference on the law of the sea in 1958, was to the effect that a state has a fishing zone contiguous to its territorial sea extending to a limit 12 nautical miles from the baseline from which the breadth of its territorial sea is measured in which it has the same rights in respect of fishing and the exploitation of the living resources of the sea as it has in its territorial sea.

The purpose of the bill is to extend the zone to a 12 mile area, which would then be the fishing zone, as distinct from the actual 3 mile zone. A further provision of the bill is that this would come into effect on July 1, 1963 in order to allow time for negotiations with other nations in respect of the question regarding fishing rights.

Motion agreed to and bill read the first time.

COAL

CAPE BRETON—REQUEST FOR REPORT ON OTTAWA MEETING

On the orders of the day:

Hon. Lionel Chevrier (Laurier): Mr. Speaker, I should like to direct a question to the Prime Minister in the unfortunate absence from the house of the Minister of National Revenue, which we all regret. I wonder whether the Prime Minister would now answer the question which the Leader of the Opposition asked on Tuesday, concerning proposals emerging from the conference held in Ottawa on Friday of last week, and the following day, which would have the effect of avoiding the closure of three Cape Breton collieries.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I am sure the hon. gentleman will agree that a statement like that cannot be made off the cuff. I join with him in expressing regret at the absence of the Minister of National Revenue, who is in hospital.

It was he who dealt particularly with this matter, and to whom the question was directed. However, at the earliest possible moment I will make a report to the house. Negotiations and discussions are continuing and, when there is something to report of a final nature arising out of the meeting the other day, not only in respect of the question asked but also in respect of the results of the negotiations, it will be brought to the attention of the house.

Inquiries of the Ministry

FISHERIES

NEWFOUNDLAND—INQUIRY AS TO CAUSE OF DEATH OF FISH

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to direct a question to the Minister of Fisheries. In view of reports that dead codfish and herring have been noted floating in Newfoundland's Fortune bay and in other waters off the western shore, which is puzzling even the most experienced and oldest fishermen of that island province, would the minister inform the house whether he is having this situation investigated in an attempt to discover what is causing the death of these fish and, particularly, whether radioactive wastes are a factor?

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, I will look into the situation and provide an answer to the question at a later date.

BUSINESS OF THE HOUSE

FREIGHT RATES—REPRESENTATIONS BY TRUCKING INDUSTRY

On the orders of the day:

Mr. J. F. Browne (Vancouver-Kingsway): Mr. Speaker, I should like to direct a question to the Minister of Transport. I wonder whether the Minister of Transport will inform the house whether provision will be made for trucking industry representatives to appear before the committee on railways, canals and telegraph lines in order that they may have the opportunity of expressing their views regarding the Freight Rates Reduction Act, which is being studied by that committee.

Mr. Chevrier: That question was asked a week ago.

Mr. Speaker: I question whether the hon. gentleman should direct that question to the minister. As I understand it the committee itself makes the arrangements regarding evidence to be called before the committee. If the hon. member wishes to make private representations in this regard, he could do so.

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, it is my information that representatives of the trucking industry have already requested permission to appear before that committee. Of course, as you have said, this is a decision to be made by that committee.

Inquiries of the Ministry

CRIMINAL CODE AMENDMENTS RESPECTING SEXUAL PSYCHOPATHS

On the orders of the day:

Mr. J. P. Deschatelets (Maisonneuve-Rosemont): Mr. Speaker, I should like to address a question to the Minister of Justice. Would the minister say whether it is the intention of the government to introduce at this session amendments to the Criminal Code with a view to imposing stiffer regulations with respect to sex offences? If so, would the minister give some indication as to these amendments?

Hon. E. D. Fulton (Minister of Justice): Mr. Speaker, in the speech from the throne, as I recall, it was announced that legislation would be introduced dealing with the problem of criminal sexual psychopaths. That legislation will be included in a bill to amend the Criminal Code which I expect to be in a position to introduce into the house very shortly.

INQUIRY AS TO SITTING OF HOUSE AFTER JUNE 30

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): I should like to direct a question to the Prime Minister. It is a matter of interest and concern to all members of the House of Commons. In view of the fact that the budget will not be introduced until early in June, and in view of the fact that there is a great deal of business in the way of estimates and legislation still to be considered, is the Prime Minister in a position, out of courtesy and thoughtfulness, to give the house any advice on whether, at the end of June, the house will continue sitting to deal with the business if it is not completed, or whether there will be a recess for some weeks and then a continuation of sittings to deal with the business?

Right Hon. J. G. Diefenbaker (Prime Minister): In reply to the hon. gentleman, Mr. Speaker, I simply say that I expect the house will proceed with a degree of acceleration which will make it unnecessary to answer his question.

Hon. Lionel Chevrier (Laurier): I have a supplementary question. If that degree of acceleration is to be achieved, does he not think there should be something more on the order paper than there is now or has been for the last two weeks?

Mr. Diefenbaker: I think the house leader dealt with that problem yesterday. It has not been lack of legislation that has held up progress, or lack of matters on the order paper. I would emphasize those facts.

Mr. Pickersgill: It is a back bench filibuster.

[Mr. Balcer.]

CORPORATIONS AND LABOUR UNIONS—FURTHER LEGISLATION THIS SESSION

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): May I ask the Minister of Justice whether it is still his intention to proceed with second reading and other stages of Bill No. C-70?

Hon. E. D. Fulton (Minister of Justice): Mr. Speaker, that matter also will have to depend upon the progress made in dealing with the legislative program of the session.

Hon. Paul Martin (Essex East): If I may, I should like to ask a supplementary question. Is there a possibility that the government proposes to drop this bill altogether?

Mr. Fulton: Of course, Mr. Speaker, the hon. gentleman is an expert at fishing. I do not think there is anything I can add to what I have already said, which was perfectly clear and understandable to most hon. members.

Mr. Pickersgill: And inconclusive.

DRUGS

BARBITURATES—INQUIRY AS TO INTERVIEW WITH MONTREAL COMMITTEE

On the orders of the day:

Mr. Romuald Bourque (Outremont-St. Jean): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. In a morning newspaper today a news item states that the attorney general of the province of Quebec has designated his deputy to accompany the Montreal committee headed by Mayor Jean Drapeau when it presents its goof ball report to the minister here. My question is, has the minister received a written request for a date when this delegation could meet with him and his officials to discuss ways and means to combat this most urgent problem of goof balls?

Hon. J. W. Monteith (Minister of Health and Welfare): Mr. Speaker, I am not aware of any communication in the office as yet, although there may be one there now. However, I should like to point out that some days ago I announced that we were bringing in legislation in respect of the goof ball problem.

EXTERNAL AFFAIRS

CUBA—STATEMENT AS TO RETURN OF CANADIAN MISSIONARIES

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prime Minister): May I answer a question asked yesterday by the hon. member for St. Ann.

The question had to do with Canadian missionaries. All the Canadian Catholic missionaries in Cuba who expressed the desire to return to Canada have already been repatriated. A number of Canadian missionaries have elected to remain in Cuba to carry on their work.

INTER-AMERICAN ECONOMIC CONFERENCE—INQUIRY AS TO CANADIAN DELEGATE

On the orders of the day:

Mr. G. H. Aiken (Parry Sound-Muskoka): I have a question for the Prime Minister. Will the Prime Minister advise the house whether Canada is going to send a representative to the inter-American economic conference in Uruguay on July 15 of this year?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, that was one of the questions discussed with the President, and I expressed the hope that if an invitation were given, as I expect it will be, Canada would be represented at that conference.

Hon. Paul Martin (Essex East): May I ask a supplementary question arising out of the reply of the Prime Minister, and also based on the statement of the chairman of the council of the organization of American states which was made yesterday in Washington. Will the representative of Canada at the conference, which I believe is to be held on July 16 and not July 15, go as an observer or as an official representative of the country?

Mr. Diefenbaker: Mr. Speaker, that is a question for determination. We are going to be represented, but what the nature of the representation will be has not been determined and, of course, will have to be discussed and decided by my colleagues.

As the hon. gentleman knows, in so far as the organization of American states is concerned, there has been available for years not only in that organization but in its predecessor, the Pan-American union, a seat for Canada. It is interesting to listen to the enthusiastic support given by the hon. gentleman to full membership in this organization. It was not always so, but in any event we shall be represented at that meeting by an observer.

Mr. Martin (Essex East): Will the Prime Minister permit me to ask a further supplementary question? In view of what he said earlier in his interesting statement which dealt with his conversations with the President, and what he now says, is the Prime Minister in a position to say whether Canada will announce its decision as to joining the organization of American states before the meeting on July 16?

Mr. Diefenbaker: That will be a question to be determined in due course.

WATER RESOURCES

GREAT LAKES—STATEMENT ON PROPOSED DIVERSION FROM HUDSON BAY WATERSHED

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prime Minister): The hon. member for Fort William asked this question:

> Is the government opposed to a water diversion from James bay and Hudson bay watershed to enable replenishment of fresh water to the great lakes?

The hon. gentleman realizes that the House of Commons standing committee on mines, forests and waters, in its second report to the house on June 28, 1960, referred to the Harricanaw river proposal as follows:

> The committee heard with interest from witnesses of the proposed Harricanaw river development project, but it feels that there has been insufficient basic engineering evidence presented to come to any conclusion on this matter.

I would say to the hon. gentleman that various proposals for diversions of water from the Hudson bay and James bay watershed have been considered in the past and are regarded as impracticable from an economic point of view on the basis of the engineering data available at this time.

BOW LAKE, ONT.—REPORTED POLLUTION BY RADIOACTIVE WASTE

On the orders of the day:

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, on Tuesday the hon. member for Peterborough asked me whether I had received a letter from a Mr. H. L. Hook concerning conditions at Bow lake, Ontario. As I indicated at that time, a letter came in on Monday of this week. I have just advised Mr. Hook that as the matter falls within provincial jurisdiction I have forwarded his letter to the Ontario department of health. The pollution question involved here is still before the mining court of Ontario, which now has all the evidence before it. If the hon. member will refer to page 5880 of *Hansard* for July 7 of last year, he will find that I explained there why this must be regarded as a provincial matter under existing circumstances.

THE CENSUS

STATEMENT ON POSSIBLE USE OF INFORMATION FOR POLITICAL PURPOSES

On the orders of the day:

Hon. George H. Hees (Minister of Trade and Commerce): Mr. Speaker, in my absence

the hon. member for Port Arthur asked me the following question:

In view of press speculation and general criticism in many parts of the country, would the minister consider making a more specific and thorough statement on the matter of the information gained by census takers next month and its possible use for political purposes?

The answer is as follows. At every stage of their instructions the census enumerators are impressed with the confidential nature of their job. This action is in line with the first page of the enumeration manual, which contains the following instructions to the census takers:

You are not permitted to combine your census duties with any other work such as canvassing for personal gain or for political, church, or community organizations.

The law requires that all information collected for the census be kept confidential. You have taken an oath that you will not reveal any census information to anyone who is not a sworn census employee. To make sure you keep this oath, follow these rules:

(1) Do not repeat any information you receive as an enumerator to anyone except census officials;

(2) Do not leave completed census questionnaires where they can be seen by anyone except census officials;

(3) Do not let anyone except census officials go with you on your visits;

(4) Interview each respondent privately or with only members of his own family present. If necessary, explain that you are not supposed to get the information in the presence of anyone not employed in the census office.

Every census taker is required in section 6 of the Statistics Act to take and subscribe to the following oath:

I, ..., solemnly swear that I will faithfully and honestly fulfil my duties as (census enumerator) in conformity with the requirements of the Statistics Act and of all regulations thereunder, and that I will not, without due authority in that behalf, disclose or make known any matter or thing which comes to my knowledge by reason of my employment as such (census enumerator).

I can assure the house that the officials of my department have ben directed to ensure that these instructions and the safeguards provided to each individual Canadian by the Statistics Act are faithfully applied. Anyone found disclosing information for political or other purposes will be immediately prosecuted under section 34 of the Statistics Act. I am forwarding a copy of this statement to every census commissioner who has been appointed for the census next month.

INDIAN AFFAIRS

PROTEST AGAINST DESIGNATION "INDIAN" IN FEDERAL VOTERS' LISTS

On the orders of the day:

Mr. Frank Howard (Skeena): In the absence of the Minister of Citizenship and Immigration I might address a question to the parliamentary secretary, and ask whether a protest will be issued in the strongest possible terms against the inclusion of the word "Indian" alongside the names of native Indian people on federal voters' lists, in order that these people will not suffer any further defamation such as occurred recently in the preparation of voters' lists in Esquimalt-Saanich.

Mr. Speaker: Perhaps the hon. member's question is not one of immediate urgency. I appreciate the fact that he wants to put forward his idea, but I think the question could more appropriately go on the order paper.

TRANSPORT

RICHELIEU WATERWAY—FORMATION OF JOINT CANADA-U.S. COMMITTEE

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prime Minister): Yesterday the hon. member for Chambly-Rouville asked a question, the important part of which was:

Did the Prime Minister and the President of the United States have any opportunity to discuss the Richelieu waterway during their meeting in Ottawa yesterday?

The answer is in the negative.

NATIONAL REVENUE

REPORTED ESTABLISHMENT OF DUTY FREE SHOPS AT BORDER

On the orders of the day:

Mr. J. R. Garland (Nipissing): Mr. Speaker, because of the regrettable absence of the Minister of National Revenue I should like to direct my question to the Minister of Finance. Has he seen the continuing press reports that a chain of shops selling duty free goods is to be established at several key border crossing points in Canada; and will the minister say, first, what licence or permit is required from the federal government to operate these shops and, second, whether the government intends to allow the establishment of this chain of duty free shops?

Hon. Donald M. Fleming (Minister of Finance): I have not seen the articles to which the hon. member refers. I would suggest, however, that by its nature this question is one that ought to be placed on the order paper.

TRADE

REPORTED IMPORT FROM JAPAN OF CANADIAN FLAGS

On the orders of the day:

Mr. Azellus Denis (St. Denis): Mr. Speaker, may I direct a question to the Minister of Finance. According to this morning's *Gazette*

many Canadian textile manufacturers feel they are hard hit because printed Canadian flags are being imported from Japan at prices far below Canadian prices. In view of the statement made this morning by the Minister of Finance, would he care to comment on this particular situation?

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, I have not seen the article in question, but if the hon. member will examine the letter from the Japanese ambassador I think he will find his answer there. It would, of course, depend on the material out of which the flags were made as to the particular quota arrangement applicable thereto.

PUBLICATIONS

INQUIRY AS TO REPORT OF ROYAL COMMISSION

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I should like to ask the Prime Minister whether the government has yet received the report of the O'Leary commission, and whether it is still the expectation of the government that they will ask parliament to take any action on the subject matter of that commission.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the government has not yet received the report of the O'Leary commission. The second question therefore remains hypothetical until the report is received.

THE BUDGET

SUGGESTED REASON FOR DELAY IN PRESENTATION

On the orders of the day:

Hon. Paul Martin (Essex East): Mr. Speaker, would the Minister of Finance agree with the widely held view that he is delaying the presentation of the budget because of the four by-elections?

Hon. Donald M. Fleming (Minister of Finance): Not only would I not agree, but I would say that the suggestion is unworthy of any member of this house.

Mr. Pickersgill: Why?

UNEMPLOYMENT INSURANCE

USE OF CHEQUE FORMS PRINTED IN UNITED STATES

On the orders of the day:

Mr. Romuald Bourque (Outremont-St. Jean): Mr. Speaker, I should like to direct a question to the Minister of Labour and in his absence to his parliamentary secretary. I understand that representations have been made to the minister by the graphic arts industries association of Canada protesting the fact that a cheque issued by the unemployment insurance commission to an unemployed printer bore the imprint "Printed in the United States by Remington Rand". Is it the intention of the minister in view of this protest, to instruct the officials of his department that in future all their printing requirements should be purchased in Canada and be printed by Canadian labour on Canadian made paper with Canadian made ink?

Mr. R. D. Thrasher (Parliamentary Secretary to the Minister of Labour): I will take this question as notice.

AIRPORTS

SAULT STE. MARIE, ONT.—INQUIRY AS TO OPENING DATE

On the orders of the day:

Mr. G. E. Nixon (Algoma West): Mr. Speaker, I wish to direct a question to the Minister of Transport. Can he indicate how soon the Sault Ste. Marie airport might be open for business?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I am not exactly sure of the date, but I know the official opening ceremonies are tentatively set for early in September.

SUPPLY

The house in committee of supply, Mr. Flynn in the chair.

DEPARTMENT OF TRANSPORT

402. Departmental administration, $3,395,700.

The Chairman: This item will be found at page 75 of the blue book, the details at page 520.

Mr. Small: At the time of adjournment last night, Mr. Chairman, I had touched on some of the subjects which I had discussed previously in connection with the C.N.R. I shall continue that discussion a little further. I intend to talk about the St. Lawrence seaway tolls after I get through speaking on these matters, if I have the time in which to do so. If not, I shall be obliged to take up the matter again at another opportunity and give others a chance to speak on the subject. However, I should like to finish my remarks if possible before the adjournment.

One matter that was mentioned by the hon. member for Vancouver East was that of public ownership. I would go along with him in what he said. He pointed out that it seemed that only public ownership might make a success of anything. However, there are some cases in which it just does not happen. I know we have made a success of public ownership in Ontario in connection with

hydro and the development of power, and also in the city of Toronto in connection with our transportation. To date they have made an outstanding success in that regard. It is true that we have run into a little bit of difficulty in financing the subway. However, I am sure that public ownership, when it is handled in the right way, always results in outstanding success. Nevertheless I have found that when private enterprise cannot handle some matter or when it becomes a monopoly, the government generally takes it over.

In this case the government has taken over defunct railways of this country and given it to the Canadian National Railways to administer. So far the venture has not been an outstanding success. That is the reason for most of the comment that has taken place recently. People are not satisfied with the service that is given. I touched on that matter last night. The service has not been what it should be. Perhaps that is one of the reasons the undertaking has not been a success. There has been no attempt to make the service attractive. The convenience of the passengers or the people using the C.N.R. has been the last consideration.

I corroborate the statement made by the hon. member for Vancouver East with regard to reservations. You will be told that they are filled up and that you will have to wait. Then when you get on the train you find there is plenty of accommodation for you if they want to give it to you. I do not know where the fault lies. The board of directors is sufficiently large to take care of almost any incidental writing that needs to be taken care of. One would think this would be one of the things in which they would be vitally interested.

There is also the other matter that I mentioned with regard to stations. It occurs at both the union station in Toronto and the union station in Ottawa, which is one of the most deplorable of the stations. In fact it is not a union station any more either in Toronto or in Ottawa. These stations have just become glorified freight sheds. The convenience or service of the passengers is the last thing in which the railways are interested, in my opinion. Probably if they would smarten up they would find people willing to use their services. Probably they would like to use them. I do not mind paying for service, but I do not like paying for it when I do not get it.

As a matter of fact I can get home to Toronto from Ottawa more quickly by driving my car than I can by going by train. I might also say that not much time is saved in going by air, as far as I am concerned. These are things to cause one to ponder. I refer particularly to the timetable. I do not ever remember arriving in Ottawa on the scheduled time in the morning. You are always late. I wonder what they do with the time during which they fool around down at Perth, Smiths Falls and the various other places, which could have been used in order to get them to the Ottawa station at the time indicated on the timetable.

Mention is made of the piggy-back service and of what a wonderful success it has been. That service is not anything new. It was being used on the Pacific coast from Seattle down to San Francisco and Los Angeles. It relieved the truck driver from having to make a tiresome drive. It gave him some rest. It was also done at a more economic rate. It is not something that is new. The situation is probably the same as it was when, if my memory serves me correctly, Sir Henry Thornton was head of the C.N.R. and Sir Edward Beatty was chairman of the C.P.R. The same thing applies here, I suppose. There was the time they lowered the rate from Toronto to Hamilton; it went down from something like $2.30 to $1.60 or $1.70. I can remember Tommy Church describing Sir Henry Thornton, the then president. He said, "It is the same thing; when the C.P.R. lowers the rates Sir Henry Thornton, as president of the C.N.R., just lowers their rates and follows along".

The same thing applies to the piggy-back. They have adopted what has been found to be successful with others. There is also the matter of trucking. I talked on this trucking matter with railroad men as far back as 1924. They had railway right of ways for running the trains, and the highways were not as large or as numerous then as they are now. They were running into trouble because the trucks were not making good time and I wondered why they could not use the railway right of way for putting trucks and goods on the railways. Then any time they wanted they could run the trucks off the railway right of way and onto any side road and have a good service. They said they would not be permitted to do that.

This was about 40 years ago, and they are just waking up now and getting into the trucking business. In those days these people were handling freight by horses and wagons, and only recently has there been a transition into trucking. They are just now getting around to going into the trucking business. They could have gone into it long ago. Now they are confronted with the vested rights of the trucking business, which are causing a lot of concern and they will find out that perhaps it is not going to be very successful or profitable for them.

Now I come to the question of the president of the Canadian National Railways. In the last two or three years there has been a lot of comment and a great deal of criticism in connection with the president. When you examine the matter you find that the president of the Canadian National Railways came to be on the board of directors because he had a nomination from the Bank of Canada. He took over, and there is some reason why he was sent to the railway, because he had made such a name during the war years in connection with the Bank of Canada and also, I think, with the wartime prices and trade organization. No one is trying to take away from the things he accomplished there; they were possibly good, but this did not mean he would be an outstanding railway man.

When he was appointed to the C.N.R. he was thought of as a wonderful individual who was going to accomplish great things for the Canadian National Railways. Because of his knowledge of banking and other things it was thought great things were going to take place in the C.N.R., but they did not take place. We have evidence that since he has been in office more things have not been accomplished than have been accomplished; we have more proof that he has not accomplished anything. He has not made the economies it was thought he would make, and what he has done since being appointed to the board is to practically truncate the service; he has reduced it. He can probably be called the great truncator of the Canadian National Railways.

This raises the question of the employees who are concerned. The employees of the railway are vitally concerned because this truncation has taken place on the railway. This matter was touched upon by the hon. member for Acadia last night when he mentioned the morale of the employees who were hired by the railway. Their morale is low, and perhaps rightly so, because they are in a better position to judge these matters than we are. They have probably come to the conclusion, and perhaps rightly so, that while he is the president and also a director, he is not in fact the manager of Canadian National Railways, but rather than being manager and director he is really the receiver the government has put in to fold up the railway. I think this is the thought that has got into their minds.

I would say that so far he has done a pretty good job of being the receiver of the railway, and the employees of C.N.R. have begun to look at it in this way. That is why their morale is low. There is no reason for high morale among the employees, because the president has not the respect of his employees and they have no confidence in him. He is not a railroad man; he is a banker. Hon. members know the situation in regard to banks nowadays, and I should like to tell the committee the story about the man who went into a bank to get a loan. This man had good collateral and very good security, but times were something like they are now and banks would not loan money no matter what the security was. They were tight money days, as they are now. However, this man was a good customer of the bank and the banker did not want to offend him, so he talked about different subjects. Then he said, "Recently I had a serious illness. I had to lose an eye. I had to have an eye taken out and an artificial one put in, so I have a glass eye. I pride myself on the fact that this eye defies detection by anyone. No one can tell the difference between my glass eye and my good eye. I will bet you $10, if you want to take it up, that you cannot tell which is my glass eye". The man who wanted the loan said "I will take you up". The banker said, "Which is my glass eye?" The man said, "Your glass eye is the one that is on your left side". The banker said, "You are the first man who has ever been able to tell that by looking. How did you discover it?" "Well", the man said, "it was not too difficult on my part. I looked at your eyes and immediately said to myself that the glass eye was on the left side because it showed more warmth than your right eye".

That is the situation today with regard to the employees of the railway. They look upon this man as having no feeling for them, that he is just there in a receivership capacity, and that is probably what he is there for. They look upon him as being there to fold up the passenger services of this railway, when he was put forward as a man of such eminence. He has great eminence; I suppose he is one of the most powerful men of this country, because he is practically lord of this whole domain, as far as Canada is concerned, from the Pacific to the Atlantic and from the Arctic wastes to the United States border. He can go anywhere he likes. He is probably the second highest man in the country, perhaps even higher than the Governor General as far as salary is concerned. He issues his orders and no one can defy them. He is practically a law unto himself, something the same as the governor of the Bank of Canada. No one can question the right of this individual and his facilities for getting around the country at our expense, issuing great orders and doing great things. He even went to Ungava, Newfoundland, where he was investigating the narrow gauge up there to see if he could do something better for them

where the woods are small. I suppose he figured on getting great prestige up there and obtaining their support.

He puts in all this effort, but there are very few people that I know of, even on the opposition side, who stand up for him. Even on the Conservative side we find hon. members who will not stand up for him, and he is even losing the admiration of such hon. members as the hon. member for Greenwood, who has been a great admirer of his, and the hon. member for Dufferin-Simcoe, who in the committee said he was a wonderful fellow and it is probably a tough type of job that he has; it is just like shovelling fog or smoke. But he shovels a lot of other stuff besides smoke and fog that has a little more substance in it and is better used for fertilizer than smoke or fog. The hon. member for York North is also a great admirer of his. Why he is remains a mystery to me. He will probably explain it one day. He is an individual who wants to sell everything we have that is profitable and tells us to hang on to the things that are not profitable.

I should like to take a poll of this committee today, or any time we could have a free poll, and ask hon. members what they think of this great individual who has this country so tied up as far as the transportation system is concerned. I think you would find he would lose out by a 20 to 2 vote. The thing that remains for us to do is to be a little more concerned about the people of Canada and the transportation system, and take the necessary steps to see this system improved. We should get a person who is a railroad man, who would have the confidence of the railway employees. Donald Gordon does not have the confidence of anybody on the railway, I would say, even up in the higher echelon. It would be a good thing for this country if we got rid of the people who are causing the trouble.

There is another matter I should like to discuss at the present time. I will just touch upon it for the time being. I refer to the matter of grade level crossings. For years this matter has been advocated and we have been very successful in increasing the amount of the fund from $1 million up to $5 million, but still too many accidents take place year after year on our doorsteps. It has been increased until now it is $15 million a year. Even when this matter is tackled under the most favourable conditions we find that because of the method of financing, neither the railways nor the municipalities are able to make rapid progress in reducing these grade crossing tragedies. We shall probably have to devise a means of removing this responsibility from the shoulders of the municipalities and of the railways. As we all know, the railways are running continually into deficits, and it is not very practical to ask them to attend to this matter of the removal of level crossings.

In Scarborough, which is in my own riding, there are 82 of these level crossings, possibly 90 of various descriptions. About 30 of them are on the fringe of being a menace to life. However, it happens occasionally that there is an accident off the beaten path, so these less used crossings cannot be entirely ignored. The local authority has taken care of one or two of these crossings in the past year, but they cannot go further; the provisions of the act as now applied do not allow them to deal with more than one or two a year. This work could be extended threefold throughout the Dominion of Canada if the present arrangements were reviewed and new steps were taken to deal with this menace which presents itself to road and rail traffic.

Last year the hon. member for High Park spoke on this subject and dealt with the formation of a Canada Council whose first president was Mr. Brooke Claxton. Later Mr. Ashe was president; I do not know who is president at the present time. The hon. member was concerned with all the accidents which happen on the highways of Canada generally. The figures he presented were astounding and appalling, so much so that the figures we have with regard to accidents at grade level crossings, high as they are, pale into insignificance compared with them.

The comparison does not lessen the gruesomeness of the tragedies which occur, but it does raise a larger question; because in the light of the total figures one cannot very well put on undue pressure for more to be done with regard to grade level crossings until the whole situation on Canadian highways and the rate of accidents generally have been taken into consideration. We have arrived at the point when statisticians are able to predict the number of road accidents and fatalities which will take place on certain days. These predictions almost always turn out to be correct, or very nearly so, and when a situation of that kind exists it is clear that something should be done to deal with it even if it means greatly increasing the preventive force.

Now I have dealt with that subject and I should like to turn to another matter. I see the hon. member for Laurier in his place, and I think he would probably be able to give me the information in which I am vitally interested. It concerns a subject which has been before the committee and the house on previous occasions. The hon. member for Laurier was, of course, minister of transport in the former administration at the time he was the hon. member for Stormont. Later

he became chairman of the authority itself. He has spoken on this subject on many occasions in this house, and in the course of his remarks has made some statements which I am not able to fathom. I am not questioning that what he says is right, but I found it hard to understand when he said there had been complete agreement by all parties with regard to the St. Lawrence seaway development. On the surface that appears to be correct. The hon. member went on to say that there had been no objection to the terms, no objection to the tolls being charged.

Mr. Chevrier: May I ask the hon. member from what he is quoting?

Mr. Small: I am not quoting from anything at the present time.

Mr. Chevrier: The hon. member has been referring to me. He says that certain statements were made by me. I think he owes it to the committee to say when these statements were made.

Mr. Small: I think this statement was in fact made by the hon. member. He said that the parties were in agreement—

Mr. Chevrier: Will the hon. gentleman put the quotations on record in *Hansard* so that I will be able to deal with them if the occasion arises?

Mr. Small: The hon. member has got me stymied there, because I cannot refer to these quotations now. I have read them in *Hansard*. I did not make a note of them, but I do not think he will question the veracity of the statement I am making.

Mr. Chevrier: I should like the hon. member to give me the place where the statement was made. I shall then be able to determine for myself whether or not it is accurate.

An hon. Member: One o'clock.

Mr. Small: I shall probably be able to do that during the lunch hour, after the committee has adjourned. I shall look up *Hansard* and find the place where the statement was made. I know the hon. member made it.

May I call it one o'clock?

At one o'clock the committee adjourned.

AFTER RECESS

The committee resumed at 2.30 p.m.

Mr. Small: Mr. Chairman, there was a bit of hassle in the committee before the adjournment regarding a purported statement made by the hon. member for Laurier. During the luncheon adjournment I checked *Hansard* for a number of years, but have not been able to pinpoint this particular statement. I have conversed with the hon. member for Laurier and feel that there is no disagreement between us about the statement having been made.

There apparently was agreement among all members of the house regarding enactment of the St. Lawrence seaway project bill. I understand one hon. member took exception to this suggestion, but I am unaware of it being recorded in *Hansard*.

I am bewildered by the fact that there was not much debate, and great consideration given to the matter of charging tolls on this project. There was, of course, a considerable lapse of time between the original decision to go ahead with the project and agreement being reached between United States and Canada. At one time agreement was reached between these two nations but that agreement was never ratified. It was intended at that time that the project should be proceeded with to suply power essential to the defence of these nations. That was certainly agreed upon.

I should like to offer some explanation as to why there was no question about or opposition to the charging of tolls on the St. Lawrence seaway. I should also like to seek information regarding the lack of opposition to the imposition of tolls on the Welland canal. I will, however, submit my views in respect to this lack of opposition.

The Chairman: Order. I am sorry to interrupt the hon. member but his time has expired.

Mr. Chevrier: Mr. Chairman, I suggest the hon. member should be allowed to continue.

The Chairman: Is it agreed that the hon. member's time be extended?

Mr. Drysdale: I agree if it is a reasonable extension of time.

Some hon. Members: Agreed.

Mr. Small: The then minister of transport informed the house, about the year 1947, that there was agreement between the two authorities to impose tolls. At that time there was apparently no opposition. The tolls were to be charged in an effort to recover the costs of the project on the basis of 50 year amortization. I have read the Wiley-Dondero act and am of the opinion that it was not necessary for this country to accept that term of amortization. However, the government of the day did go along with that suggestion. There was no mention whatever, at the time, of the imposition of tolls in respect of the Welland canal.

An agreement has been in existence with all governments, the Macdonald government,

the Laurier government, the Mackenzie King government and even the Bennett government, regarding the imposition of tolls on the Welland canal, and every proposal to impose tolls was rejected.

Because the Welland canal was an integral part of the industrial economy of Ontario and Canada there was an agreement reached between the two countries that no tolls would be charged in respect of the passage of boats plying inland waters since 1903 and the agreement was never terminated. I take it all hon. members, during these periods, felt tolls should not be charged in respect of inland waters because of the great benefit provided to industries located on the great lakes in both countries and especially the steel industry of Hamilton, Buffalo, Windsor and Detroit.

However, in view of the additional cost, $29 million, to deepen the Welland canal, which was to be a part of the St. Lawrence seaway authority, it was decided to impose tolls to amortize this cost. The Welland canal was to be deepened four feet, at an estimated cost of $2½ million, but eventually cost $30 million. As a result, to amortize tolls are charged. It is my understanding that the inclusion of the Welland canal in the St. Lawrence seaway project was to be credited with $130 million of its entire cost. The deepening of the St. Mary, the St. Clair and Detroit rivers cost approximately $140 million. This was paid by the United States as part of the maintenance of the great lakes seaway system.

As far as I can remember, or have read in the records, no opposition was presented to the imposition of tolls on the Welland canal until objection was taken by Stuart Armour as a representative of the steel industry. The hon. member from Laurier was perfectly right when he said there was no opposition to it. The opposition comes only from Ontario and Quebec, which are the only two provinces straddling the great lakes and St. Lawrence seaway project. On the other side there are the states of New York, Ohio, Pennsylvania, Michigan, Illinois, Wisconsin and Minnesota. They can take opposition to anything that is detrimental to them.

If no great opposition arose in connection with the Welland canal tolls the reason is that members of parliament affected never for a moment thought there would be the imposition of tolls on the Welland canal. All down through the years from Macdonald's time to Mackenzie King's time there had been an agreement that there would be no charge. It was an international agreement. This is the reason why this matter of tolls on the Welland canal should be reconsidered from the point of view of the provincial autonomy of Ontario, which is vitally affected.

I do not know whether the hon. member for Laurier can give us an explanation of how the St. Lawrence seaway development absorbed the Welland canal installation into the project. In my opinion it has no right being there because the United States itself absorbed the cost of the deepening of the St. Clair, the Detroit and the St. Mary rivers. There are no toll charges on those rivers or the Sault canal.

Mr. Chevrier: May I ask the hon. gentleman a question? Is he aware of the fact that in connection with the whole St. Lawrence seaway, including the Welland canal, tolls were imposed by order in council tabled in this house by the predecessor of the present Minister of Transport?

Mr. Small: I certainly am aware of that, but all the groundwork was done long before the present government took office. Those agreements were made between the two authorities, one from the United States and the other from Canada. There had been an agreement on this matter, but it was never an accepted fact that tolls would be imposed on the Welland canal because it was never intended to be that way. The question is, why was the cost not absorbed by the Canadian government itself as was done in the United States with respect to the three rivers I have mentioned? The imposition of tolls on the Welland canal was an improper charge. The cost for deepening is a maintenance expense.

I was baffled when I learned that members of the Liberal party from Welland and that section of Ontario did not take strong exception to the imposition of those tolls. I believe the reason is that it never entered their minds there would be any tolls on the Welland canal. Thank you.

Mr. Winch: Mr. Chairman, I feel somewhat impelled to speak on this item at this time because of what I consider to be an unwarranted, unreasonable and unmerited attack made on the T.C.A. yesterday by the hon. member for Coast-Capilano. When in the interests of Canada this government or previous governments establish a policy and make provision for the financing of crown corporations and when those crown corporations prove successful, I fail to understand why attacks should be made upon them, and thereby attacks on policy of the government that took the action required, and why it is then said, "Let's get rid of it".

Let me give a brief illustration because, as I said, I cannot understand that kind of attack. A previous government, because of

necessity, established Polymer. A capital expenditure of $48,500,000 has returned over $100 million to the federal government. The government still owns a plant worth a maximum of $130 million, and now the cry is, "Let us hand this company over to the owners of free enterprise so that they can get their money out of it".

Mr. Drysdale: Who said that?

Mr. Winch: I would say two members from British Columbia.

Mr. Drysdale: Name them.

Mr. Winch: The hon. member for one.

Mr. Drysdale: On a point of order, Mr. Chairman, I think the hon. member is misinterpreting and misrepresenting statements I made before the committee. The committee has not reported and I do not think the hon. member is in a position to discuss the matter at this particular time.

Mr. Winch: The investment of $9,500,000 in Eldorado has paid back $21 million and Canada still owns Eldorado.

Yesterday we heard, as I have said, an unwarranted, unreasonable and unmerited attack on the T.C.A. Without doubt, in an operation of the magnitude of T.C.A. all of us could find merited points of criticism. But, sir, I think such an attack on T.C.A. displays a deficient sense of responsibility. I acknowledge that the hon. member for Coast-Capilano was right; we have had a pioneering service in Canada which was established by our bush pilots in the northern territories of our country. But I challenge anyone to say that our bush pilots or free enterprise could in the 1930's have built anything to equal the Trans-Canada Air Lines system and an international airways system. That pioneering was done in 1937 with the establishment of the T.C.A. On an original investment of $5 million T.C.A. was formed.

Mr. Drysdale: A very safe investment.

Mr. Winch: Its first route was only 122 miles, and that was in British Columbia, Vancouver to Seattle. From 1937 until today this great pioneering endeavour, established by the public of Canada through the government, has expanded from 122 miles to an air route service of 30,399 miles. It has a domestic service in Canada and a service to the United Kingdom, to continental Europe and to the Caribbean covering, if my memory is correct, some 60 communities. This public service operation in Canada, which in those 30 years has expanded from the original 122 miles of service, as I have already pointed out, is now recognized as the seventh largest air carrier in the world and as one absolutely unequalled in safety. Yet we had to listen yesterday to an indictment of this great enterprise operated on behalf of the Canadian people through the government of Canada. It was said that it should give way to free enterprise, and the hon. member named the enterprise, Canadian Pacific Air Lines.

Mr. Drysdale: Would the hon. member point out specifically to what portion of the hon. member's speech he is objecting? He has made a rather blanket indictment but I cannot find any support for it.

Mr. Winch: If the hon. member is interested in this matter I suggest that he speak or ask his questions after I have finished.

Mr. McGee: On a point of order, Mr. Chairman, the hon. member has just referred to the question of speaking and I am wondering about the propriety of the hon. member speaking twice on the first item when many other hon. members, myself included, have been awaiting an opportunity to speak for the first time.

Mr. Chevrier: The hon. member can speak ten times if he wishes to.

Mr. McGee: I was about to appeal to the hon. member's sense of fair play, which I do not imagine the hon. member for Laurier would know much about, and ask the hon. member whether in his own mind he thinks he should speak a number of times before other hon. members have had the opportunity to speak once.

Mr. Winch: I can most certainly answer the point of view presented by the hon. member. Yes, I have already spoken once on the first item. There is no restriction on the number of times a member may speak on item No. 1. I think the hon. member knows that I am very fair and so are the chairmen who preside over our committees. There is a big preponderance of Conservatives—

Mr. McGee: What has that got to do with it?

Mr. Winch: Suppose you let me finish before you interrupt. The chairmen of our committees are very careful in recognizing members from the Conservative, Liberal and C.C.F. groups. In the working out of the speakers' list it so happened that this was the proper time for a C.C.F. member to speak. Unfortunately the hon. member from our group who was to speak could not be here so before we adjourned for lunch I had a discussion with the chairman about the speakers' list and it was agreed that if the hon. member for Port Arthur was not here I would speak to maintain the ratio

of C.C.F. speakers, and the hon. member for Port Arthur will have to take my position on the list.

Mr. Grafftey: It means you speak every third time.

Mr. Winch: That matter was given fair consideration before I rose to speak but these hon. members do not want to hear what I have to say.

Mr. McGee: On the point of order, I can appreciate that generally speaking it is important that the points of view of the different parties be considered in sequence, but we are on estimates now. Hon. members have matters of vital concern to their own constituencies which they wish to discuss and the fact remains that in the present circumstances Conservative members of the house are being penalized by being prevented from speaking by the hon. member who has spoken twice on this item so far.

Mr. Winch: I have not.

Mr. McGee: As a matter of fact, he has spoken four times while many hon. members as individual private members of the house have not yet had an opportunity to speak.

Mr. Winch: I know that you want to say something but may I say that I have the floor because I have been recognized by the chairman. I ask you, Mr. Chairman, do I have the floor or do I not?

Mr. McGrath: May I ask the hon. member whether he considers that because he is a C.C.F. member he is entitled to privileges that the rest of us are not?

Mr. Winch: Definitely not, and may I say that we are only exercising our rights having regard to the proportionate numbers in the different parties.

The Acting Chairman (Mr. Chown): Order. Would the hon. member take his seat when I stand, please. It seems to me it is only reasonable and equitable that the Chair should call—it is the only answer we have been able to find—alternate members from both sides of the house. When the chairman sees a speaker from the opposition side of the house that speaker has the floor and so the hon. member for Vancouver East has the floor.

Mr. Winch: Thank you, Mr. Chairman. May I say it is very fortunate for me that I am speaking extemporaneously because if I had been using notes I might have been thrown off course.

Mr. McGee: You were always noted for a sense of fair play.

[Mr. Winch.]

Mr. Winch: Mr. Chairman, I think that remark should be withdrawn. I have explained that I am speaking because I have been recognized by the Chair and when the hon. member and his colleague beside him intimate that I do not have a sense of fair play because I am now speaking I submit that remark should be withdrawn and I ask that it be withdrawn.

Mr. McGee: The hon. member has asked me to withdraw the words that he is noted for a sense of fair play. I do so with great pleasure.

Mr. Winch: I never knew before how dirty my hon. friend could be. In accord with your ruling, Mr. Chairman, I am going to continue my remarks with respect to the attack on T.C.A. I have pointed out that I feel it is wrong, unreasonable and unjust that this attack should have been made upon T.C.A. I have pointed out and I repeat that from 122 miles in 1937 T.C.A. routes have expanded until they now cover approximately 30,000 miles and T.C.A. has established an unparalleled record so far as safety is concerned and is now the seventh largest air carrier in the world.

The criticism made yesterday by the hon. member for Coast-Capilano was on two grounds. First, he said that T.C.A. had a deficit of $2,607,000 last year. Admittedly it had a net deficit of $2,607,000 last year but those who now attack T.C.A. forget to mention that for the nine previous years it had surpluses. An attack is made on T.C.A. because it now requires an advance either from the C.N.R. or directly from parliament in the amount of $200 million in order to buy new equipment so that it may remain in the forefront and give leadership in air travel. What is wrong with that?

Mr. Drysdale: The method of doing it.

Mr. Winch: What is wrong with that?

Mr. Drysdale: The method of doing it.

Mr. Winch: If C.P.A. wishes to make such an expenditure it has to get the money from the C.P.R., its controlling body. T.C.A. gets its money either from the C.N.R. or directly from parliament. I gathered that the hon. member for Coast-Capilano thought that this was wrong but he forgets that we subsidize the C.P.R. and have always subsidized it since there was a C.P.R.

Mr. Drysdale: That is your version.

Mr. Winch: Over the years the C.P.R. has received billions of dollars as a gift in the form of lands which are part of the people's natural resources. During one war it received a grant from the government of $60 million and did not have to pay it back. Every year

in the past few years the government has given the C.P.R. a direct subsidy by vote of parliament from which subsidy there is no return directly to the government of Canada. T.C.A. is a crown corporation and, whether directly or indirectly, it does not get subsidies. It gets capital grants which must be returned, and I think it should be noted that although T.C.A. started with $5 million in assets in 1937 it has assets today in the neighbourhood of $239 million.

Mr. Drysdale: Capital debt.

Mr. Winch: I said it has assets of $239 million.

Mr. Drysdale: Listed as capital debt.

Mr. Winch: And it has debt owing to the dominion—

Mr. Drysdale: With interest at 5 per cent.

Mr. Winch: —with interest.

Mr. Drysdale: At 5 per cent.

Mr. Winch: And the amount owing to Canada for debenture and by interest is $30 million less than its present asset value. All that my hon. friend who seems to be so intense about this matter has to do is to look at the Trans-Canada Air Lines last financial report.

Mr. Drysdale: I have looked at it.

Mr. Winch: If he does that, he will find that is the situation. I say without hesitation that the government which in 1937 in the interests of Canada established the T.C.A. did a good thing for Canada. T.C.A. has proven to be one of the great assets of Canada in developing national and international air lines. I say that although on small points—perhaps important ones but nevertheless small ones—we all can criticize, T.C.A. is an organization which has a record of which all of us can be mighty proud; and it ill behooves any member of parliament to make the kind of attack that was made yesterday on T.C.A.

Mr. Drysdale: What kind of attack was that? The hon. member never specified.

Mr. Winch: If the hon. member was not here when the hon. member for Coast-Capilano spoke, I would refer him to *Hansard*. I will not try to educate him. It would not be possible in any event.

Mr. Drysdale: I have read *Hansard*.

Mr. Grafftey: And we were here when the hon. member spoke.

Mr. Winch: If that hon. member could speak as well as he can interrupt, he would be a useful member of parliament.

Mr. Broome: As one who interrupts as much as does anyone, the hon. member ought to know.

Mr. Winch: Irrespective of party or party membership or representation in this house. I say that T.C.A. is an operation of which over the years this country, the previous government and this government can be proud. I say that we should give commendation to T.C.A. for their leadership and for their looking forward to maintain Canada's position in the air passenger and freight transport of the world. I say that the investment of Canada has paid off in marvellous dividends, in work and in production and that Canada's investment and assets in that corporation are greater than its debt in debentures and in interest by millions of dollars.

I want to say with the utmost sincerity through you, Mr. Chairman to the minister that I hope he has the pride in T.C.A. that we in this group have, having regard to its leadership, its pioneering and its forward-looking approach in the world of air transport. I sincerely hope that he will do everything possible to encourage and to assist this corporation and that he will not allow small, penurious free enterprise criticism to block his decision—as we hope it will be—not only to maintain but to extend the greatness and the efficiency of T.C.A., one of the prides of Canada.

Mr. Drysdale: Will the hon. member permit a question?

Mr. Winch: Yes.

Mr. Drysdale: The hon. member has attacked the hon. member for Coast-Capilano who unfortunately is not in his seat at the present time. I wonder whether the hon. member could indicate specifically what objection he has to the hon. member's speech. All he did was to use the usual C.C.F. technique of broad-spread attack but not once has he specified what he objects to.

Mr. Winch: I thought I had made the matter clear. I object to the attack on T.C.A. on the ground that it was not a significant pioneer in its field, and to the criticism that it had a deficit of $2,600,000 a year with no comment on its surplus in the previous nine years.

Mr. Broome: What happened to it last year?

Mr. Winch: If my hon. friend had made a study of why it was necessary for heavy expenditures to be incurred last year, he would know the answer to his own question. He was on one of the planes that were bought by T.C.A. last year.

Mr. Broome: I just asked what happened to the surplus last year.

Mr. Winch: There was no surplus.

Mr. Broome: There was a surplus of $6 million, as the hon. member would know if he had studied the matter.

Mr. Winch: I can answer one at a time, Mr. Chairman, but I am afraid I cannot answer two at a time. I might also say I criticize that objection raised here yesterday by the hon. member for Coast-Capilano that something was wrong when there had to be an appropriation for expenditures of some $2 million advanced to T.C.A. for the new type of aircraft, and that this was not fair when the C.P.R. were prepared to do it without any advance at all. May I say to the hon. members that they will not be back the next time if they follow their present procedure and policy.

Mr. Broome: Will the hon. member bet on that?

Mr. Pascoe: I have a few remarks to make under this general item in the estimates of the Department of Transport, but first of all I should like to join with the other speakers in congratulating the Minister of Transport on the presentation of his first estimates and on the manner in which the department is being administered under his jurisdiction. When one looks at the eight pages of estimates in the blue book and sees that they cover marine services, railway and steamship services, air services including civil aviation, the meteorological branch, the St. Lawrence seaway authority, the air transport board and the board of transport commissioners, one gets some indication of the extent of the department's activities.

Comments on this item before us have ranged over nearly all the activities covered by the department. I will confine my remarks at this time to one subject that is of particular interest to many of my constituents, namely the lack of air service to my home city of Moose Jaw, Saskatchewan. I have spoken on this matter previously. I know the minister is familiar with the situation so I will make only brief comments at this time. Further details regarding the city's airport facilities are contained in letters sent to his department from time to time.

Moose Jaw actually pioneered air service in Saskatchewan, starting from a municipal air field on a flat piece of prairie grassland in the early 1920's. I well remember the start from this airfield of the first flight of the old western Canada air mail service to Edmonton. This was in the middle of the winter in 1927 or 1928, I believe. I was a passenger on that inaugural flight. In order to indicate the great advances that have been made since that time, I might point out that the pilot was in an open cockpit in weather 30 degrees below zero.

Moose Jaw had the first air meet in the province in 1929 with planes coming in from many parts of Canada and the United States to put on an exhibition of stunt flying and parachute drops for a great crowd from all over southern Saskatchewan. Moose Jaw now has fine airport facilities in connection with the large R.C.A.F. station there. Up until May 6, 1959, the city had a scheduled commercial air service through Canadian Pacific Air Lines, and later through Pacific Western Airlines from Moose Jaw to Edmonton. Because of changes in the mail service, P.W.A. applied to the air transport board for permission to drop Moose Jaw from its flight schedule. I should like to quote one sentence from a letter received from Mayor O. B. Fysh of Moose Jaw as follows:

> We are a city of 33,000 people, very much air minded, but having no air connections at all at the present time.

When T.C.A. established what is called the milk run, which takes in most prairie cities between Winnipeg and Calgary, Moose Jaw was not included although several smaller cities are serviced. As a member of the sessional committee which inquires into the annual report of T.C.A. I have presented Moose Jaw's arguments for air service on more than one occasion.

I have a letter from Mr. Gordon McGregor, president of T.C.A., commenting on the views I expressed at last year's committee meeting. He expresses the hope that at some time a satisfactory solution might be worked out.

It would appear, Mr. Chairman, that the time for a satisfactory solution is near at hand. According to reports, T.C.A. would like some other air line to take over the western milk run. Such a change will of course necessitate a public hearing.

My reason for speaking at this time is to ask the minister to make it possible for Moose Jaw to present its case at this hearing, to show that there could be sufficient passenger and air express business there to warrant a daily air service. There are new businesses in the city which could make use of air deliveries. A newly established greenhouse industry is now operating on a large commercial scale and no doubt could make large air shipments of cut flowers daily.

I do not believe the date has been set for a hearing on any possible change of service. When a hearing is arranged I hope that all interested parties will be able to attend. I hope the minister can give some assurance that this will be the case.

Mr. Martin (Essex East): Mr. Chairman, I do not propose to speak at any length, nor do I propose to join in the debate which has taken place between hon. members from the province of British Columbia. Thus far that is a fight they have preferred to restrict to themselves and I think any intervention at this time would be most unproductive and unwise.

However, Mr. Chairman, I rise to discuss a matter that is of great interest to the county from which I come, and particularly to the city of Windsor. I do so at this time because it is the first opportunity I have had since the minister took over the administration of the Department of Transport of bringing to his attention a matter which we discussed last year during the presentation of a bill providing for the management and development of the harbour in the city of Windsor, and a companion bill for the same purpose for the city of Oshawa.

As the minister knows, there are under his jurisdiction, as I understand it, three types of harbour commissions. One type, I think, runs into pretty large figures. That is the type of harbour commission which now exists and operates in the city of Windsor, and which has operated for some time in the city of Hamilton, in the city of Toronto, in Belleville and now in Port Arthur and the city of Oshawa.

The harbour commission bill setting up a harbour commission in Windsor was introduced in this house by the former minister of transport, the Hon. George Marler. Last year the present administration—as I noted a moment ago—brought forward a bill providing for the management and development of the harbours in the cities of Windsor and Oshawa.

I should like the minister to take advantage at the earliest opportunity to come to Windsor. I hope he will come not just before an election, but long before, if there is to be a long interval, so that he can acquaint himself with the potential value that could flow from the development of the harbour in the city of Windsor.

The minister will be warmly welcomed and I hope I will have an opportunity, together with my two colleagues from the county of Essex, to make the minister's visit not only agreeable but informative and, having in mind my immediate purpose, highly educational.

The harbour commission in Windsor is in the early stages of existence and I want to make a plea today to the minister for a greater interest on the part of the Department of Transport, in particular, in its operations.

The city of Windsor is situated along some wonderful bodies of water; contiguous is lake St. Clair, the Detroit river, and nearby is lake Erie. We are right in the heartland of Canada's great waterway system and now, with the development of the St. Lawrence seaway, our community, like many others, looks for a development from the St. Lawrence project which will add to the economic richness of the area.

One of the means by which that can be effected is through efficient administration of local harbour commissions such as the one in the city of Windsor. We there have three commissioners. They are all public-spirited men, but I believe they need assistance. They must, of course, provide assistance themselves, but they also need assistance from that agency of government which is responsible for their creation and much of their direction.

I do not believe it is wise to take the position that we must wait until there is more water traffic and more use of the harbour facilities to put forward a plea for greater interest, financial and otherwise, on the part of the central government.

I remember last year when we discussed this matter the hon. member for Greenwood participated in the debate. He complained about the reliance, seemingly, that was being placed on the central government by local bodies such as the one on whose behalf I was then speaking. I fully appreciate that every community must play its part in the development of operations of this kind. There is undoubtedly a local interest, but there is also a national interest. When one thinks of the assistance given by federal governments to the ports of Toronto and Hamilton I think one is justified in asking for a greater interest on the part of the federal government.

At the present time some of these large ports, such as in the city of Toronto, have been able to develop so as to afford to send scouts into other cities for business. Some of these new commissions and some of the communities in which these new commissions operate are not in that happy revenue position. I think that at this time, when we are seeking to bring about the greatest possible economic development for our country, we should recognize that one way by which this can be done is by assisting local bodies.

If the federal government has the responsibility in law, as it has, for the nomination of harbour commissions and for the creation, indeed, under the law of a harbour commission, it seems to me it has a responsibility way beyond the mere act of creation and nomination of administrative personnel. I know that requests have been made of the minister—I do not know whether I can say

that of the present minister, but with regard to his predecessor that is certain—and the government for financial assistance.

I know that the economics division of the Department of Transport, particularly that section which concerns itself with harbours administration, has looked into the economic potential of the harbour commission on whose behalf I speak. Their reports are available for the minister to study. The minister has, I believe, received requests by the harbour commission for assistance, financial and otherwise and I believe those requests deserve to be supported. That is why I am rising again on the occasion on which the minister presents his estimates for the first time to ask him to tell us at the appropriate moment in our discussion what the present policy of the government is in regard to harbour commissions of this type. I suggest to the minister that if we just wait for such time as more adequate and extensive use is made of these harbours we shall be postponing unnecessarily much business which I think could be available if we were to establish the necessary foundations. That requires some promotion work. That requires some advertising. That requires the building of certain facilities. A project of this sort should, I think, be assisted by the federal government. I suggest to the minister this is a matter about which he should be in a position to say something today.

Now is the time to do this, because right opposite Windsor there is a development taking place in the city of Detroit which I think should encourage us to take similar action on the Canadian side. The development which is going on in the development of harbour facilities both in Detroit and all along the great lakes in the United States is such that if we are to be able to capture as much of this business as is open to us as a result of the operation of the St. Lawrence seaway we should act with prudent haste. The minister will recognize, I hope, that the area from which I come does offer a very special opportunity for the development of the community and the county in which the city of Windsor is situated.

There is an added reason for urging the minister to give some attention to this situation. We are handicapped in our section of the country by an unfair freight rate structure which operates against us. It is possible, for instance, to ship a bushel of grain from Chicago to Montreal cheaper than it is to ship a bushel of grain from Windsor to Montreal. Our freight rates are, generally speaking 25 per cent higher than the rates which prevail in the Toronto area. The city of Toronto has become a great distributing centre. Many industries are locating there because it is such an important centre of distribution and we are unfairly affected in our competition because of this freight rate structure. The advantage of water transportation will reduce the effect of unfair and discriminatory freight rates which do exist, in the event that the royal commission does not provide a satisfactory answer. This is an additional reason for seeing to it that the local harbour commission is given the fullest co-operation, the fullest encouragement and the greatest possible financial assistance to undertake these operations at this time—not tomorrow, not in the long run, but today, so that we may be in the best position possible to take advantage of the business which undoubtedly is there if we go after it.

I know that the local commission, the local citizens, must take the initiative. But it is an initiative which must be supported by the federal Department of Transport; otherwise there would not have been the decision made in the first place to establish a commission in 1956. So I ask the minister to look into this situation. Perhaps at some appropriate moment he would make the kind of comment which would please me or at any rate make the kind of comment he thinks is warranted in the circumstances.

When he does that he might take into consideration a decision reached by a committee of this house—a committee to which reference was made by my friend the hon. member for Laurier. That committee unanimously urged the fullest examination by way of economic survey of the potential available in areas served by harbour commissions such as the one I have mentioned. I do not know what is the present position of this over-all survey but it would seem to me that such a survey, together with the examination which has been made by the economics division, would reveal that I am not exaggerating when I say that there is much business available for a harbour such as that of the city of Windsor, ideally located as it is on rich waters—waters now witnessing the transportation of goods which mark the buoyant economy we want to see Canada possess, particularly in view of the activity that is taking place right across the river.

Harbour facilities in Detroit will be taxed. It will not be possible in time, with the economic power of that city, to take full advantage of the facilities which are being provided there. There will have to be some alternative provided, and that place could easily and should be the harbour at Windsor. This is something which requires vision. I know, as I said a moment ago, that vision must exist on the part of the city of Windsor. That vision does exist today. I assure the

hon. gentleman that there is a desire to promote harbour development, particularly at this time. But I do believe greater interest is necessary on the part of the federal government and I hope the Minister of Transport will have some very good news for the city of Windsor when he speaks later in connection with this matter.

Mr. McGee: A few minutes ago when I rose to speak on a question of privilege and complained about one member of this committee speaking, as the records will show, four times on the first item of the estimates, although other hon. members had not been called to speak even once, I was interrupted by the hon. member for Laurier who questioned the fair play on my part in challenging the right of the hon. member for Vancouver East to speak. I must say that coming from the hon. member for Laurier, a prominent member of the Liberal party, "fair play" is a peculiar word for him to use—

Mr. Chevrier: On a question of privilege. I ask Your Honour if the hon. member is speaking to the estimates or if he is speaking to a question of privilege or on a point of order. I undersand a decision has been taken to recognize hon. members from one side of the committee or the other alternately. If the hon. member is speaking on a point of order, I claim the right to reply to him.

Mr. McGee: Mr. Chairman, in reply to the question put by the hon. member for Laurier, I should like to state that I was discussing the rights and privileges of individual members of this committee. The record of his party in this regard is not too good. I notice they have applied closure in respect of the estimates of the department of highways in the province of Quebec.

Mr. Chevrier: Mr. Chairman, I should like to ask what that interjection has to do with the estimates now before this committee, or for that matter, with the point of order?

The Chairman: Order.

Mr. McGee: Mr. Chairman, I should like to state that the hon. member for Laurier knows very well—

Mr. Chevrier: The hon. member is talking through his hat.

The Chairman: Order, order. I must say that I did not understand what the hon. member was referring to. If his question has reference to a point of order he should rise on a point of order, otherwise it has no relevancy to the estimates of the Department of Transport.

Mr. McGee: Perhaps I should let the matter stand, as the record will show the statements made by members of the opposition, and the position taken by the hon. member for Laurier.

Mr. Chairman, I rise this afternoon for the purpose of discussing, among other things, the activities of the Canadian National Railways in my constituency, and in particular, the application made by the officials of the Canadian National Railways to discontinue commuter train service in the eastern section of York-Scarborough. Last year officials of the Canadian National Railways appeared before a committee of this house and requested $100 million to construct a marshalling yard with by-pass routes through the north section of the Toronto area. The officials suggested, as one of the reasons for coming to this committee of parliament seeking $100 million, that the construction of this marshalling yard and by-pass route would solve the congestion problem which has occurred in the downtown and waterfront areas in the city of Toronto. They intended to clear that congestion by providing a feeder line similar to the spokes of a wheel, from the perimeter of Toronto to the centre of Toronto.

In answer to questions asked by myself and other hon. members of that committee, those officials suggested that with the establishment of this $100 million marshalling yard and by-pass route, the major impediment to the effective operation of commuter trains between the outskirts of Toronto and the downtown area would be removed. It was explained that the building of this by-pass was of vital concern to these areas.

After every possible alternative route had been considered, it was decided that the only practical route was through the quiet, sleepy village of Thornhill in the north section of my constituency. The inhabitants of that village had established themselves there in an attempt to avoid the hustle, bustle and accompanying disturbances of big city business and traffic. However, they found themselves, following this decision, faced with the prospect of having a two line, 60 train per day freight route through the middle of the village. I am sure hon. members will appreciate that the inhabitants of that village were not wildly enthusiastic about that prospect. Perhaps I should repeat that this route was decided upon after each and every alternative had been considered exhaustively but reluctantly rejected.

Those officials came to that parliamentary committee requesting $100 million for the construction of these proposed projects, holding out as an inducement, the continuation and extension of commuter service in that area. I do not know whether the responsibility can be laid at the feet of the president of the Canadian National Railways, but someone in

the executive of that crown corporation should receive first prize for having the nerve of a canal horse, having come to this parliament offering the continuation of commuter service in exchange for $100 million and after two months making the decision to eliminate existing commuter services. I refer, of course, to the application which has been made in respect of Canadian National train No. 94. The reaction of the residents of Agincourt and Markham has been tremendous. A special meeting was held between the officials of the railroad and interested parties in that area. I attended that meeting as well. As a result of representations made at that time a tentative decision was reached, to discontinue the train service beyond the bounds of the Toronto limits and to retain the essential portion of the commuter service.

The metropolitan council of the city of Toronto has formed a committee with terms of reference to examine transportation problems generally in the city of Toronto, and to evaluate the necessity of commuter trains. It is my understanding this committee will also consider the cost and possibility of subsidizing these commuter services.

There has been some discussion during the consideration of this item regarding the degree of interest held by the officials of this railroad to passenger and commuter traffic. I have come to the conclusion that the railways officials would rather have their cars filled with cattle than human beings. I know of the existence of a society for the prevention of cruelty to animals but am not aware of a similar society in respect to human beings. I would suggest there should be such an organization in order to prevent some of the things which people are subjected to while travelling on the railways.

If it were my contention that the railway officials were intentionally trying to drive passengers away, I would suggest as an example, that hon. members consider the type and quality of food being served to passengers. In my opinion that represents one ingredient of this plot. The sandwiches now being dispensed by the express agent on these trains are priced at 35 cents. These sandwiches consist of two pieces of bread, ingeniously designed to turn into lumps of lead after being swallowed, covered with a microscopic film of what appears to be lard but what is probably uncoloured margarine, and a piece of the most tired rat cheese it has ever been my misfortune to attempt to consume. I use the words "attempt to consume" advisedly. I have been chewing on these sandwiches for some years now and I have never finished one yet.

I have discussed the situation with several of my colleagues and have arrived at the conclusion that the cost involved in producing these sandwiches for sale on trains would not exceed 5 cents unless there was some formula involved in the making of the bread so that it will turn into lead. As I say, these sandwiches cost 5 cents to produce and are sold for 35 cents. One can of course purchase the ham variety of sandwich which is about as pleasurable and delightful to eat as an old piece of shoe leather.

I should like the minister to investigate this situation and inform the committee why these express agents are allowed to perpetrate what can only be described as a fraud against the travelling public of Canada. If a contract exists between the railways and the express agents allowing them to sell this outrageous product at an even more outrageous price, could the minister tell us when the contract will come up for renewal so that some form of control can be applied, or something can be done to correct this particular situation.

As I started to say, it would seem at times that there is a plot within the railway system to discourage passenger traffic. My hon. friend from Danforth has expressed opinions and related experiences concerning the relationship of passengers to baggage. Anybody travelling between Ottawa and Toronto and stopping at Leaside or at other stations along the way, and at the station here, of course finds the trains made up in such a way that when they arrive at the station and it is time for the passengers to disembark the baggage and the baggage handling get first preference. At times one has to walk for the better part of half a mile, part of it through cinders, and perhaps in the rain, on wet concrete the rest of the way to reach the station platform. There you will find the baggage handlers in dry comfort unloading their portion of the train. This is the attitude toward passenger traffic. It seems to me no imagination has been used in the provision of passenger comfort. People are discouraged from travelling on trains. As soon as the number of passengers declines the railways go before the board of transport commissioners and apply to have the passenger service dropped entirely. It is a very easy way to avoid one's responsibilities.

Another question that came up when the officials of the C.N.R. were present at Agincourt to determine the feelings of the community was that of advertising. It is my understanding that the C.N.R. spends some $2 million in general advertising. Some of that advertising abroad probably has a residual benefit in encouraging people to visit Canada. It seems to me, if you are going to operate an efficient passenger service and an efficient commuter passenger service the first

thing that an intelligent, reasonable man would do would be to approach the people in the area already concerned who are using the commuter trains and encourage them to extend their use of the trains; to do some advertising in the local newspapers and make some positive effort to encourage a greater use of the commuter trains.

They argue that the number of commuter cars do not justify the use of an engine. Obviously, if you want more passengers you are going to have to tell the potential customers about the service that is available, and make a great effort to convince those people that they should use the commuter trains. At no time have I seen in the local newspapers any advertisement of any description other than some general advertising proclaiming some great service such as "Travel with your family on trains". I could spend the next half hour describing some of the experiences I have had with my own family in travelling on trains, but perhaps that would not be quite to the point. The point is, Mr. Chairman, no real effort is made anywhere to examine the passenger structure in this country, to improve the service or to encourage people who would normally use the passenger service to use it to a greater extent.

I would hope that the C.N.R. would continue to operate the commuter trains which they have said would remain in the service. I would hope they would do everything they can to accommodate the timetables and schedules on the trains to the convenience of the passengers, and to encourage more passengers to use the trains. I would hope they would spend some of the $2 million in placing advertisements either in the local newspapers or in some other media to encourage people in the area to make full use of the commuter trains.

The congestion of traffic in Toronto, as in other major cities, is a difficult problem. We have a major throughway program and an expressway program under way at the present time. We are embarking on an extended subway program, but still the most efficient, effective and fastest method of transportation from the perimeter to the centre of Toronto is over the existing rights of way. I would suggest further that some attempt be made to design a cheaper commuter car. Normally, those trains will not be travelling at the great speeds at which the passenger trains would be travelling. It seems to me, therefore, there should be some saving in the weight and in the solidity of the structure which would not be specifically exposed to any of the hazards of a trans-continental train which travels at speeds up to 80 and 90 miles an hour.

These are some of the suggestions that I would hope the minister would keep in mind in his consultations with the Canadian National Railways. I would hope that, with the co-operation of the Canadian National, the Canadian Pacific and metro Toronto, we can look forward to the day in that city when an efficient, effective pattern of commuter service will be serving the people.

(Translation):

Mr. Caron: After the friendly exchange between the hon. member for St. Jean-Iberville-Napierville (Mr. Dupuis) and the hon. member for Chambly-Rouville (Mr. Johnson) I thought I should rise myself on that matter of canalization.

Yesterday, the hon. member for Chambly-Rouville seemed to think that the most important aspect in the matter of the Richelieu seaway project was that it should pay its way. Anyway, as the hon. member for St. Jean-Iberville-Napierville said, this matter also seemed vital to the minister because he stated that the project was not economically sound.

Now, I wonder what is meant exactly by an economically sound project? Does it mean only the immediate revenue from the passage of ships through the locks or elsewhere, or is the economic development which such canalization may entail taken into account?

The matter I want to deal with has been under consideration for years. It is the Ottawa seaway project.

We were discussing that even before the St. Lawrence seaway development, but I can quite understand why this Ottawa river scheme was set aside as a secondary project, if it is compared to the other.

However, I think deepening those waterways, both the Ottawa and the Richelieu, would tend to develop and decentralize some industries which, today, as everyone agrees, are too centralized in one community or an other. Furthermore, is it not a fact that the economic development of one or two areas would be well worth the expense required of the government to bring prosperity outside Canada's larger centres.

I think at the present time, there would be something to be gained in deepening both rivers at the same time. In my constituency, there are pulp and paper companies exporting rather large quantities across the border, where the New York market is considered most important. If the Ottawa and Richelieu rivers were deepened, it would reduce the distance by some 1,200 miles for those products.

If we consider that waterway transport is much less expensive than railway transport, this would allow our pulp and paper companies to compete with the European continent companies which have a kind of wood somewhat like the one in the province of Quebec, however, these companies can manufacture and sell their paper cheaper, for while transportation costs from Europe to the United States are expensive enough, European paper mills still have an advantage on ours.

However, if we had the advantages of both these seaways, we could see pulp and paper mills develop along the Ottawa river, for we are not short of power—we have it—and we could find the necessary labour, but what we lack are means of transportation.

As a matter of fact, on the Quebec side, we only have the Canadian Pacific, and if we want to use the Canadian National, we have to cross over to Ontario. Furthermore, transportation rates are increasing all the time. It could hardly be otherwise, since the administration costs of railways have increased and, on account of that, they have to find revenues from all quarters in order to have both ends meet.

That is a real difficulty, but we must not, on account of the expenses of our railways, allow our industries to suffer to the extent of losing certain foreign markets which we are entitled to have.

That is why I think the hon. member for St. Jean-Iberville-Napierville was right when he said that the department should undertake at once a serious study of all those projects, because such a study requires researches in all fields, which means lots of work and time. If we lose time before undertaking such a study, where shall we stand?

Besides, on the matter of economic soundness, I should like to refer to a quotation made yesterday by the hon. member for Chambly-Rouville, which supports precisely my argument. It is part of a thesis submitted to the University of Syracuse by a Mr. Tefft who states the following:

> Finally, I do not think that the ultimate decision as to whether or not the waterway should be deepened and, if so, to what depth, should be overly influenced by cost-benefit ratios. I do not deny the usefulness of ratios, but a dollar and cent sign cannot possibly be hung on the defence value of an improved waterway.
>
> Then too, I am struck with the highly problematical nature of benefit estimates. They cannot accurately take into account the future, if for no other reason than that they do not know what it will be. This is particularly true in a region that appears to be about to undergo the unusually rapid change that seems to be in store for the Champlain basin.

[Mr. Caron.]

We also hope that the Department of Transport will favourably consider the deepening of the Ottawa river, for we can forecast in our area an industrial development that will employ all the available working force, and this would help our people a great deal.

Even though we know that we will not cover the cost of the project in one, 10 or even 20 years, we should not forget that the industrial development that would take place would yield taxes to the government; it would produce transport income which, in turn, yields taxes to the government.

It seems to us that, even if the project should not prove to be a profitable one as far as revenues from the waterway itself are concerned, there would be a certain degree of profit because of the indirect revenues that the government would derive from the industrial development of the area.

I therefore ask the minister to seek information from the experts of his department, to ascertain the possibilities of the development of these waterways.

The deepening of the Ottawa river would go hand in hand with the deepening of the Richelieu river. I think those projects would complement each other.

If they could be implemented, I am sure that, as a consequence, two important areas in the country would experience the expansion they are entitled to and we would have only congratulations and thanks to extend to the government.

(Text):

Mr. Henderson: Mr. Chairman, I want to say just a few words about Canadian Pacific Air Lines and Trans-Canada Air Lines. The hon. member for Vancouver East gave T.C.A. quite a boost. He went into rhapsodies about it. In the part of the country from which I come we would be walking or riding horseback if we did not have C.P.A. A railroad runs in there but the train only operates a couple of times a week or maybe once a week or maybe not at all. There is a sleeper on the train but you have to put a blanket across the window to keep the wind out.

C.P.A. really serves the north country. When we go home we land at Fort St. John. If we were waiting for T.C.A. we would still be in Edmonton. T.C.A. does not allow C.P.A. to pick up passengers who are going toward Toronto. T.C.A. insists on taking all such passengers from Whitehorse, the Yukon, Fort St. John, Prince George and that region.

C.P.A. renders a real service to the north and it is the north in which I am interested.

Canadian Pacific Air Lines and Trans-Canada Air Lines are two really good air lines. I was down in Kentucky on the 6th of May.

An hon. Member: What were you doing?

Mr. Henderson: I was at a church meeting. There is no comparison between C.P.A. and T.C.A. on the one hand and Eastern Air Lines on which I travelled. The employees are not interested in the passengers. I thought the girl on the plane had had a battle with her husband, if she had one, because she was so sour. But the personnel at the airports are excellent. I have never had better service from anybody.

When I came back from the race track to Louisville I told the fellow I wanted to get back to Ottawa. This was Saturday night at eight o'clock. He said, "Come on over and meet the boss". The boss turned out to be the head man at the Louisville airport. He said, "Where do you want to go"? I said, "Ottawa". He said, "I will get you there. I will have you in New York tonight." I said. "I do not want to go to New York". He said, "We will fly you to Columbus and then to Cleveland and then to Toronto". I was here next morning at eleven o'clock. That is service.

Mr. Pickersgill: In time for church.

Mr. Henderson: I think T.C.A. is giving C.P.A. a rough deal. I know Mr. McConachie, the president of C.P.A., personally. He lived at Fort St. John for four years. He was a bush pilot. If some Eskimo or Indian child or one of our own children was sick, he would fly them out no matter what the weather was like. He was a real credit to the north. I should like to see him get a break so that C.P.A. can have other routes across Canada.

T.C.A. gets all the breaks. They can fly to London. The British government will let Mr. McConachie's air line land in London but T.C.A. will not allow it. I am not too well versed in these matters. C.P.A. has to go to Amsterdam. Why can they not have the right to land at London, England? I understand the British authorities have given them permission to land there. The Minister of Transport can tell us all about it. On the west coast C.P.A. is losing passengers to another line running down to Seattle. Everybody goes that way and C.P.A. cannot have that route.

It was only a short time ago that T.C.A. were trying to make a deal with an air line from Japan. I think that C.P.A. should get a break in this deal. They are Canadians. It is true that the hon. member for Vancouver East attempted to "blow up" T.C.A. However, these people are also Canadians and they pay taxes. Speaking of paying taxes, all we do is to pay taxes to Mr. McGregor's outfit. May I say that I am not against T.C.A. However, I should like to see these other people get a break. If you are going across the ocean now via B.O.A.C., what do you find? You find that they are flying with the cheap propeller driven planes. T.C.A. do not use them. They do not have this kind. They are much higher than that. However, B.O.A.C. have them. I do not think C.P.A. are getting the break which they should get.

Mr. Chevrier: I do not want to take up the time of the committee unduly but there are one or two reasons why I desire to intervene at this stage. The first is to deal with some questions that were addressed to myself during the course of this discussion and also to say something in connection with what transpired yesterday when the hon. member for Coast-Capilano entered the discussion in connection with something I had said concerning T.C.A. and the air policy of the government. I did not take as seriously as did the hon. member for Vancouver East the statements made by the hon. member for Coast-Capilano. I thought that they were fair criticism. While I do not agree with him in many of the things he said, I rise to make a statement in connection with the matter. I have risen, Mr. Chairman, not to defend T.C.A. I think that is the responsibility of the minister. I think the minister is responsible to parliament for Trans-Canada Air Lines in the same manner as he is responsible for the Canadian National Railways. If he follows the practice which has been followed in the past and which most ministers of transport have followed, he will give the picture as it is related to him by the responsible officers of both those crown corporations. There is, of course, the committee in which members can examine the officers that come there from time to time.

I am rising chiefly to point out that under the former administration we were determined to prevent from arising a situation such as that which arose under the Borden government with railways when too many trans-continental lines were built and none of them could pay. I do not think there can be any challenge to that statement. As the committee knows, Mr. Borden had to bail out Mackenzie and Mann for $10 million which was a great deal of money in those days. In this whole picture of trans-continental air lines policy, the government should make sure not to distribute the trans-continental air lines in such a manner that neither company can make money and that the treasury will have to foot the bill. That is what the MacPherson commission is doing

at the present time with the railways. I hope it will not happen with the air lines. Perhaps the hon. member for Greenwood will remember that $10 million. As the hon. member said, all I am suggesting is that we should apply common sense to this policy. I refer to the policy of the government. If we do that, then I think we will arrive at a proper conclusion.

I want to make some reference to the speech made by the hon. member for Vancouver-Kingsway. I am sorry that he is not in his seat.

Mr. Drysdale: Keep it going; I will be right back.

Mr. Chevrier: It was, I must say at once, a remarkable speech and I wish to commend that hon. member not only for the knowledge which he possesses of the freight rate question but for the objective manner in which he spoke on this subject. It has been a long time since I heard a speech on freight rates of that calibre in this chamber. I am not saying that I agree with what he said. However, I am saying that he rose to deal objectively with the subject of freight rates. For instance, he pointed to a matter that has caused a great deal of concern to the former administration. It has to do with the one and one third rule and the agreed charges. I refer to the one and one third rule which was recommended by the Turgeon royal commission on transportation. The agreed charges which amended the Transport Act, according to the province of Alberta, annulled the benefits of the one and one third rule. About the time at which I left the government there was a great deal of opposition to the effect of the amendment of the Transport Act on the one and one third rule. That was why it was necessary to call in the Turgeon commission again and to have it make a report such as the one it made.

The hon. member said another thing with which I am fully in agreement. I note that the hon. member for Vancouver-Kingsway is now in his seat. I am sorry he was not here earlier but I do not think he could have found any fault with what I said concerning his contribution. The other thing on which I agree fully with him is this. He said, "This is not a political question". There could be no greater truism than that. Freight rates are not and should not be a political question. I am sorry the hon. member was not here when I sat on the other side of the house in the place occupied by the present Minister of Transport and in a position to observe the kind of attitude the opposition took in this chamber. I made it quite clear that freight rates were effected by the board of transport commissioners and not by the cabinet or the government and that the board of transport commissioners was established for that purpose. But do you think the opposition listened to me? They did not listen to me in the slightest degree. From those who were interested to those who sit on our right now came the attack and the charge that we were the ones who were responsible for allowing these horizontal rates to increase unjustly from one end of the country to the other.

There was only once—and by once I mean during one period of time—in the long history from confederation down to the present time when the government was responsible for the establishment of freight rates and that was when the cabinet itself dealt with them. The cabinet used to deal with freight rates—just imagine that situation—across Canada. That power was taken away—and rightly so—from the cabinet and was put into the hands of the board of transport commissioners. Of course, if I have made the statements which I made earlier, I have done so as a result of the statements made by the Prime Minister during the campaigns of 1957 and 1958 when he went from one end of the country to the other and said, on freight rates, "Did we act? Of course we acted. Here is what we did". That is nothing but an invitation to political attacks.

The freight rate question is a highly complex and complicated matter which should be left to a technical board such as the board of transport commissioners.

I pass on to another matter which was raised by the hon. member for Danforth in connection with the St. Lawrence seaway tolls. I suppose that if I wanted to take the proper attitude I would say to the hon. member that the Minister of Transport is in his seat and the questions which the hon. member directed to me should be directed to the minister because he is now responsible for the administration of that body and I am not.

However, I will not take that attitude. The hon. member said, "Why was there no opposition to the question of tolls? No mention was made of tolls on the Welland canal". Perhaps I should say to the hon. member that under the 1932 treaty there was no question of tolls, and the situation was the same under the 1941 agreement, both of which, as the hon. member rightly said, were not ratified by the congress of the United States.

Then, because of the many delays occurring in the United States and Canada, there arose a great desire on the part of both countries to find a solution to this problem and to bring about the project. The solution was found by means of a joint application on the

part of Canada and the United States to the international joint commission whereby, if that application were successful, legislation would be introduced by Canada for the construction of the seaway.

That legislation was introduced in 1951 by the act known as 15-16 George VI, an act to establish the St. Lawrence seaway authority. So there may be no doubt in the mind of my hon. friend, who seems to think there was no authority for these tolls, I would point out that the authority is set out in the act of parliament just as clearly as it could be.

In the first place let me say that earlier Canada had decided to deepen the St. Lawrence waterway up to Montreal at a cost of about $100 million, payable by the taxpayers of Canada. Canada had also decided to deepen the new Welland canal at a cost of about $132 million, payable by the taxpayers of Canada, on both of which there were no tolls. On the other hand the United States had agreed to carry out the deepening of the connecting channels, which would cost about $100 million.

This act was introduced in 1951 and section 10 clearly sets out what were the purposes and powers of the authority. They were, first, to build a deep-sea waterway between the port of Montreal and lake Erie, which included the Welland canal; and next, to construct, maintain and operate all such works as were necessary for that purpose.

If we look at section 17 we find these words:

> Where the works have been constructed and are maintained and operated by the authority to provide, in conjunction with works undertaken by an appropriate authority in the United States, the deep waterway mentioned in section ten,—

That is the section I have referred to:

> —tolls may be established pursuant to sections fifteen and sixteen or by agreement between Canada and the United States—

We were defeated in 1957, after this legislation was passed, of course, but before—and long before—the agreement referred to herein had been made between Canada and the United States. I am not suggesting for a moment that the government should have repudiated this section, but I am stating that it was after 1957 that the international tolls-making committee was established; it was after 1957 that the former minister of transport, the present Minister of Trade and Commerce, placed on the table the order in council which established the agreement and the tolls on both the St. Lawrence and Welland canals.

My hon. friend says, "The agreements were made between the two authorities, one from the United States and the other from Canada. The question is: why was the cost not absorbed by the government itself, as was done in the United States with respect to the three rivers I have mentioned?"

I am afraid that question will have to be directed to the present Minister of Transport because that was done during the regime of the present government. But in so far as the former government was concerned, I must say that it would not have been possible to obtain the consent of the government of the United States unless those tolls had been imposed.

The reason we accepted the imposition of tolls was because we felt it was only fair that the users should pay for the canal, and not the taxpayers of Canada. The people of British Columbia and the Atlantic provinces would have opposed the seaway, and rightly so, if they had been expected to pay for it out of their taxes.

I remember that when this matter was discussed in the House of Commons there was unanimity. Hon. members from the Atlantic provinces said, "We fear this may be of some hurt to us, but we have come to the conclusion that this is a good thing for Canada. We have come to the conclusion that anything that helps one part will help the whole, and we will therefore support it on that basis".

I think, too, there was the other reason which I have just mentioned, namely that if we had not made this a toll seaway it would not have been possible to obtain unanimity from all parts of Canada.

(Translation):

Mr. Chairman, I now wish to consider another question.

Yesterday, we had a debate on the deepening of the Richelieu river. The hon. member for Chambly-Rouville (Mr. Johnson) who took part in the debate asked me certain questions, particularly why the member for Laurier, either as minister of transport or as president of the St. Lawrence seaway authority had not considered the possibility of deepening the Richelieu river. He also asked me why the member for Laurier, at the time he was either minister of transport or the chairman of the seaway authority, had paid absolutely no attention to the the Richelieu waterway.

Mr. Chairman, the answer is quite simple. In fact, if the hon. member for Chambly-Rouville had referred to the reports, or if he only had studied the act, he would not have asked that question. On the other hand, had he read the book he mentioned last night, he would also have found out that the answer to his question is given there in two parts.

As for my responsibility as minister of transport, I never had the opportunity of

studying the possibility of deepening the Richelieu, for a reason that is found in a preliminary report prepared by the boundary waters commission.

That commission in fact had been called upon, in 1937, to make a survey concerning the possible dredging of the Richelieu, and had submitted a rather lengthy report dealing with all aspects of the matter, that is: the five routes, specifications concerning the seaway, whether the channel should be 14 or 27 feet deep, its cost, the volume of traffic, etc. The commission arrived at the following conclusion which I read from the preliminary report:

> The commission recommends that this report be considered as a preliminary report and that the commission be authorized to maintain its jurisdiction over that question until the St. Lawrence seaway project is completed, and that the commission be given the opportunity to study the impact of its operation on the Richelieu seaway project.

Now, Mr. Chairman, it is obvious that as long as the St. Lawrence seaway was not completed, it surely was not proper for the government, in view of the decision of the boundary waters commission, to consider looking into that project.

In addition, the hon. member has asked me how it was that at the time I was chairman of the St. Lawrence seaway authority, I did not request our engineers and my officials to study the matter. The answer is quite simple. It is found in section 10 of the St. Lawrence seaway authority act. That section is as follows:

> The authority is incorporated—

Why?

> (a) acquiring lands for and constructing, maintaining and operating all such works as may be necessary to provide and maintain, either wholly on Canada or in conjunction with works undertaken by an appropriate authority in the United States, a deep waterway between the port of Montreal and lake Erie—

Such, Mr. Chairman, were the powers vested in the authority, namely the power of constructing a canal between the port of Montreal and lake Erie, and there was no intention of the power to consider the possibilities of the Richelieu waterway project. If we had considered anything else besides the St. Lawrence seaway, we would have abused our powers, which would have been illegal.

Mr. Balcer: Mr. Chairman, would the hon. member for Laurier permit a question?

Mr. Chevrier: Certainly.

Mr. Balcer: Can the hon. member tell me who piloted the bill in the house and who led the debate on it?

[Mr. Chevrier.]

Mr. Chevrier: Naturally, it is the member for Laurier who introduced the bill in the house and who led the debate on it, but as the minister himself stated yesterday evening, the member for Laurier had his own responsibilities and could not go beyond the powers he had under the act. As a minister of the crown, does the Minister of Transport have the right to go beyond the powers vested in him by the act? No.

In conclusion, I will say that I would not have been surprised had I been asked that question by the hon. member for Joliette-L'Assomption-Montcalm (Mr. Pigeon), because he has not had the same training as the hon. member for Chambly-Rouville. At least, the latter is a lawyer and he should know about the requirements of the law. Apparently, that is not the case.

So, you have two alternatives—he is not aware of the law or he is being unfair; you cannot have it both ways. The law is there, and it outlines the powers of the president of the St. Lawrence seaway authority.

Mr. Pigeon: Mr. Chairman, I prefer a learned agronomist to an ignorant lawyer like the hon. member for Laurier.

Mr. Johnson: On a point of order.

The Chairman: The hon. member for Chambly-Rouville has raised a point of order.

Mr. Johnson: Yes, Mr. Chairman. The hon. member for Laurier is making all kinds of statements—if the hon. member would kindly resume his seat, I would continue. He is making all kinds of statements, but he did not refer to the exact text; I said, and I repeat it here:

> Why has he not seen to it then that the authorities of the St. Lawrence seaway consider the problem of the Richelieu waterway, while it was time, that everything was organized to make a full study of it, and especially economic studies?

He was a minister at that time, and he had the right to insert such a provision in the act, but not to restrict the powers of the St. Lawrence seaway authority. Let him set the facts straight, then. Let him put the question as it should be and he will be able to provide an answer. He has no right to accuse me of being unfair and ignorant.

Mr. Chevrier: Mr. Chairman, I shall answer the question of the hon. member who is asking me why I did not have the matter of deepening the Richelieu looked into in my capacity as chairman of the St. Lawrence

seaway authority. It is because the authority was not empowered to do so; under the boundary waters commission's report, this project was not to be considered before completion of the St. Lawrence seaway. Now, the seaway was completed late in 1958 or early in 1959, and since that time, a Conservative government has been in power. It is up to the present government to study the project.

I do not hesitate, therefore, to tell the hon. member for Chambly-Rouville, who is a lawyer, that either he does not understand the law and the responsibilities provided under it, or that he is being unfair. It is either one or the other.

Mr. Johnson: I have passed real law examinations, not mere prestige ones.

Mr. Chevrier: Moreover, Mr. Chairman, he asked several times who claims that this project is not feasible?

Well, if he takes that stand, I am convinced that the voters of his riding are going to wonder if he is really in favour of the Richelieu waterway or not. After all, when one wonders if a project is feasible, it shows that one doubts whether the project is even practicable. That is obvious. Another thing is that we, on this side of the house, have only asked for an engineering board to study the economic aspect of the project. That is all we have asked for.

Why is it that in the United States a similar agency is already operating? Why is it that the U.S. Corps of Engineers has already undertaken its investigations and, I am told—but I may be wrong here—that this same corps has made certain studies in Canada?

If I am correctly informed and the person from whom I got this information is a responsible engineer, why is it that Canada is not putting aside a few thousand dollars, let us say $30,000, $40,000 or $50,000 in order that the project may be investigated?

It is not by assigning this task to officials of the transport department that we will get satisfactory findings. Not because these officials are not qualified engineers, but because they are overloaded with work in the department.

This matter is of the utmost importance for the people in the area and it is therefore essential that it be studied as would, I hope, the deepening of the Ottawa river. To establish whether a project will be profitable, one must study it, a technical committee must be instituted. One can—

Some hon. Members: You could have done it.

Mr. Chevrier: You can hear them say, Mr. Chairman: You could have done it.

I have just given the reasons why we did not do so, the act was the obstacle.

Do you think, Mr. Chairman, that this will stop the member for Chambly-Rouville or the member for Joliette-l'Assomption-Montcalm who is now behind me from uttering the same stupidities. Not at all. In spite of the law, they will continue to repeat in this house and outside that we should have done it when we were in power. It just shows the stuff they are made of.

Some hon. Members: Quite true.

Mr. Chevrier: Mr. Chairman, we could not do it under the St. Lawrence Seaway Authority Act. Moreover, we could not do it because of the decision of the boundary waters commission. It is obvious that those people lack good faith; otherwise, why do they not set up the engineering commission so that the question may be looked into and we may know whether the project is economically feasible, to what depth the river should be dredged and what traffic volume would be required?

Then, do not, by your speeches and cheap politics, impede the development of a project which means so much to the province of Quebec.

(Text):

Mr. Small: The hon. member made reference to Mackenzie and Mann, but I should suggest to him that it was not the Borden government which started the railway. That was something which originated under the Laurier government. I am not suggesting he did not bail the railway out in respect of the $10 million, but it is something he inherited.

Mr. Chevrier: The Canadian Great Northern Railway was not begun during the regime of Sir Wilfrid Laurier.

Mr. Macdonnell: Oh, yes it was.

Mr. Pickersgill: But not as a government enterprise.

Mr. Macdonnell: There were guarantees and more guarantees provided. I do not want the impression left unchallenged that the Borden government plunged into a whole new railways system. It was the construction of the Grand Trunk Pacific that loaded us up with additional railway construction. I did not attempt to blame this on one government. I said it had been done by both sides. However, hon. members opposite have tried to

suggest that the Borden government was responsible for all this; they are either misrepresenting the situation or do not know what they are talking about.

Mr. Chevrier: I understand the hon. member for Greenwood has some knowledge of this question regarding the $10 million.

Mr. Macdonnell: I do not deny that.

Mr. Chevrier: Perhaps the hon. gentleman would tell us exactly what the position was, because that happened before I entered the House of Commons and, if I am wrong in the statement I made earlier, I should like him to correct me.

Mr. Macdonnell: I am trying to correct the suggestion that nothing was done before 1911 by the government to stimulate the railway building that occurred at that time. That is a wrong suggestion.

Mr. Chevrier: Mr. Chairman, on a question of privilege; I did not suggest that at all. I wrote down what I said and I shall repeat it. There can be no doubt about what I said. It was only a very short sentence. I said we were determined, in the former administration, to prevent a situation arising in air lines such as arose under the Borden government, with the railways, when too many transcontinental lines were built and none of them could pay. Then I went on to say that Mr. Borden had to bail out Mackenzie and Mann for $10 million, which was a great deal of money in those days and I added that perhaps the hon. member for Greenwood could tell us something about this.

An hon. Member: He is telling you now.

Mr. Macdonnell: Surely what the hon. member said was that the Borden government was responsible for the creation of an utterly exaggerated railway situation, and that there had to be a bailing out. I think the hon. member for Bonavista-Twillingate said the Liberal government had nothing to do with the Mackenzie-Mann construction. I do know something about that. I am quite confident that a check of what has been said will show that one of the two hon. members I have named said that the Liberal government had nothing to do with that previous construction, prior to 1911.

Mr. Pickersgill: Perhaps I can clear up what I did say.

Some hon. Members: Order.

Mr. Pickersgill: I know that the hon. member does not want to misrepresent what I said.

Mr. Drysdale: Be fair.

[Mr. Macdonnell.]

The Chairman: Order.

Mr. Pickersgill: I think the hon. member for Greenwood is anxious to hear what I did say. I said the Laurier government had nothing to do with establishing the Canadian Northern Railway as a government enterprise. Everyone knows they established the national transcontinental and Grand Trunk Pacific as a government enterprise, but the Canadian Northern Railway was an entirely private enterprise.

An hon. Member: Established under a Liberal regime.

Mr. Pickersgill: It was a private enterprise until 1911, although I believe it received provincial guarantees before that.

Mr. Macdonnell: There were many guarantees before that, and the Grand Trunk Pacific came along at the same time.

Mr. Pickersgill: That was long before the beginning of the Canadian Northern.

Mr. Macdonnell: No, not long before, along with it.

Mr. Pickersgill: It was 1903.

Mr. Macdonnell: Yes, 1903-04 is quite right, but the Canadian northern line, and the Grand Trunk Pacific, were being guaranteed by both provincial governments and the federal government and were built before 1911.

Mr. Pickersgill: Yes, but not before 1903.

Mr. Macdonnell: I will get the exact dates, but I think I can speak with knowledge of that. They were begun before 1911, but the last guarantee came in 1914, just before the beginning of the first world war. The impression that the hon. member for Danforth sought to controvert, as I do now, was the impression left by the hon. member for Laurier that Mr. Borden, as he was then, had a situation to deal with which was created by himself.

Mr. Chevrier: I did not say that at all.

Mr. Macdonnell: All I am saying now is, that is a wrong impression and I should like to correct it.

Mr. Pallett: The Liberals always leave a mess when they go out of office.

(Translation):

Mr. Johnson: Mr. Chairman, I should like to put a question to the hon. member for Laurier.

Mr. Chevrier: Mr. Chairman, I refuse to answer any question from the hon. member for Chambly-Rouville who was most impolite to me last night.

The Chairman: Order.

Mr. Belzile: Mr. Chairman, after that short period of stormy discussion, I am sure the house will be happy to bear with me during a few minutes in a more serene atmosphere. I do not wish to hold up unduly the debate on this first item. But let me discuss for a few minutes a matter of extreme importance which concerns me very much. That is the municipal airport of the city of Matane.

I realize, Mr. Chairman, the great difficulties and the many problems the Minister of Transport must face because of the exceptional and tremendous progress made in the last few years in the field of air transport and airports facilities.

In my region there are three airports: those of Matane, Mont Joli and Rimouski.

It is not my function to persent here requests concerning the Mont Joli and Rimouski airports, nor does it behoove me to criticize or minimize their requests.

I have here, Mr. Chairman, two good size files which represent quite a considerable amount of work. Since I have become member for Matapedia-Matane there has been a huge correspondance between the Department of Transport and the municipal council of Matane, the chamber of commerce of Matane and other citizens interested in the problem.

I would not want to go too far back and to recall every single step I took for the improvement of the municipal airport in my county seat.

May I be permitted, however, to mention that from the day I was elected in 1958, I have relentlessly attacked that problem. Unfortunately the results I have obtained so far amount to nil.

Some hon. Members: Shame.

Mr. Belzile: At times, however, we had hopes. I would like to say for the record that on September 15, 1958, I received a letter from an official of the Department of Transport. It went as follows:

> The department is preparing the plans for additional facilities at the Matane airport. The necessary funds have been provided for in the department's supplementary estimates and we are doing everything we can to award the contract as soon as possible.

On March 20, 1959, I received a letter from the then minister of transport. Allow me to read a paragraph of that letter:

> As you are aware, an item of $100,000 had been included originally in my department's estimates for the next fiscal year, in the hope that those funds would enable us to finish the plans and at least undertake the works. Unfortunately, we had to cut down our estimates so that the total amount would not exceed that of the current year and, consequently, we had to leave out a certain number of items, including the one concerning the Matane airport. I realize that the city of Matane—

Mr. Chairman, needless to add that the letter was as unpopular with those immediately concerned—and I have no intention of dissociating myself from that group—as with the people of Matane and the surrounding area.

Since that date, I nevertheless energetically pursued my efforts in favour of the improvement and development of the Matane airport. However, on March 13, 1961, the Quebecair company, which served the Matane airport, the north shore and cities like Quebec and Montreal, notified us that it would abandon the service at Matane airport.

I should add that another company remains, with headquarters at Matane, Matane Air Services which is now using our airport for its north shore route. The company operates DC-3 aircraft and also smaller ones—I forget their name—which can carry up to 12 passengers.

If my information is correct, legislation on air security does not, at this time, allow DC-3 aircraft to be used at the Matane municipal airport, and it is because they have a special permit that Matane Air Services may do so.

Now, Mr. Chairman, as I mentioned earlier today, it is useless to go backwards. Up to now, our efforts have been in vain. But we still have the merit of having tried, at least I hope so. Nevertheless, one fact remains: what is done is done and to us all that matters is the present and future.

Quebec Air Lines have abandoned their Matane service and there are now only the Matane Air Services left, with headquarters at the airport. The latter gives adequate service for emergency transportation, that is transportation required by north shore towns. At this time, all concerned have plenty of good will. When I say all concerned, I mean the municipal council of Matane, the chamber of commerce there, the people of Matane and the surrounding area, that is the valley which brings business to the airport of Matane.

At this stage of my remarks, may I say to those who doubt that the traffic at the airport of Matane is considerable, that just a few weeks ago, in a single day, Matane Air

Services transported 240 people from Matane to Shelter Bay, to Port Cartier and other small airports along the north shore.

I received this very day a letter from the town council of Matane, to which was attached a copy of a resolution passed by the council. It reads as follows:

Excerpt from the minutes of the proceedings of the municipal council of the city of Matane;

Sitting held on Monday, May 1st, 1961 in the town hall of Matane, at 8 o'clock p.m.;

Members presents: His Honour the Mayor, Mr. F. Adrien Gauthier; aldermen Antoine Lavoie, Rene Pelletier, Benoit McMullen, Raymond Meunier, Fernand Dugas, Victor Fournier and J. B. Dionne, secretary-treasurer;

The following resolution was unanimously passed;

Moved by Benoit McMullen, seconded by Fernand Dugas:

Whereas correspondence has been exchanged between the city of Matane and the Department of Transport with regard to the extension and improvement of the municipal airport;

Whereas this request has been turned down by the treasury board as too costly;

Whereas a DC-3 air service is required for adequate operations between the two shores and particularly for the work now under way in the Manicouagan district, where approximately 10,000 men are employed;

Whereas the majority of those employed are from this area and need air service to travel in and out of the area;

Whereas to ensure the efficiency of such a service, particularly at peak periods in the fall and winter, it is essential to use several DC-3s between Matane and the seven stations serviced along the north shore;

Be it unanimously resolved that the city council urges the Hon. Leon Balcer, Minister of Transport, to extend the main runway by 1,000 feet on city owned property, as a substitute for the previous projects which have been found too costly.

In passing such a resolution, I think the Matane city council showed exceptional practical sense, as it gives the authorities a last chance to realize that the city of Matane is entitled to some assistance in the improvement of its airport.

We are asking for a 1,000 foot extension to the runway, and lighting facilities at the airport to permit night landings.

Mr. Chairman, I now close my remarks on behalf of the Matane airport. I feel sure that the present minister, who is very conscious of his responsibility as Minister of Transport, will devote his full attention and consideration to this project which is important both to my constituents and to the hon. member for Matane.

Before resuming my seat, I wish to say a word or two on another timely subject which is of interest to the C.N.R.

The Matapedia valley has a community by the name of Amqui, which is the seat of Matapedia county. The C.N.R. station at Amqui serves the neighbouring communities of St. Léon le Grand, St. Zénon, Ste. Irenée, St. Tharcisius, St. Vianney. For many years, we have had a 24 hour operator service there. While I was visiting Amqui recently, the station master told me he had received a letter from the C.N.R. dispatcher saying that the night shift would be abolished as of May 22 next.

I believe such an attitude of the C.N.R. would certainly be prejudicial to the passenger traffic of the Matapedia valley and especially to the communities I mentioned a moment ago, because during that shift, three passenger trains stop at Amqui to take or leave passengers. There is the Maritime Express, between Montreal and Halifax; the Ocean Limited between the same points and the Maritime Express on its way back from Halifax to Montreal.

I made the necessary representations to the Minister of Transport and I repeat them here and ask him to use his influence on Canadian National Railway authorities in an effort to have them decide to maintain the operator service at Amqui as it is now and as it has existed for many years.

(Text):

Mr. Pickersgill: Mr. Chairman, the Minister of Transport complained the other day in another debate that I took part in debates on what were described as trivial matters and had nothing to say about the important declaration he made recently on shipping. So as to relieve the minister of his disappointment in the matter, I intend to say something about his announcement and I wish to say how much I welcomed these words uttered by the minister the other day, as found on page 4783 of *Hansard*. With respect to his statement he said:

We intend to help the fishermen who are working in very small boats. We are going to look after them, too.

That is a promise that will be welcomed by all the fishermen on the Atlantic coast. It was, of course, what was asked for by the hon. member for Grand Falls-White Bay-Labrador the other day in committee of supply on the estimates of one of the minister's colleagues, and we were rather disappointed when it was found that fishermen in small boats were not included in the declaration the minister made the other day with respect to aid for fishermen in the larger boats.

Mr. McGee: Will the hon. member permit a question?

Mr. Pickersgill: I have a few things I should like to say in the short time I have before five o'clock. As I was saying, the fishermen who operate very small boats and who, as is well known, constitute the majority of fishermen on the east coast of Canada were naturally a little disappointed, I think, that the assistance by the government as set out in the statement made by the minister was related to the larger boats. Therefore I was immensely pleased when the minister made that statement, and I should like to repeat these two lines found at the bottom of the first column on page 4783 of *Hansard* for May 13.

We intend to help the fishermen who are working in very small boats. We are going to look after them, too.

Before we proceed to deal with this matter on the minister's famous $1 item, I think it would be very desirable if he would give us a precise account of how aid for small boats is going to be provided because this will be a matter of the greatest possible interest to the fishermen. It has been my feeling for a long time and the feeling of those of us who represent fishing ridings—I am sure I echo the views of some hon. gentlemen on the other side of the house—that the limit of assistance on boats should not be restricted as at present to vessels more than 45 feet long. That was very welcome and important but since it was established the government has brought about the reformation of the farm loan board so that it now acts as an agricultural bank. There is no similar institution for fishermen and if the government has some plan for financial assistance either in the form of loans or in the form of subsidies, which would be even more welcome, of course, I think this will be very welcome news indeed.

When the minister replies on the first item I hope he will give us all the details as to how the plan is going to work so far as small fishing boats are concerned because there was no reference to this at all in the statement he made the other day. We should like to know whether the assistance is going to be on the same basis as for the larger boats or whether it is to be on some other basis.

Mr. Balcer: Before the hon. member takes his seat, would he tell us what he means by a small boat?

Mr. Pickersgill: I am asking the minister. He was the one who used the words. Surely the minister does not expect me to define his terms.

Mr. Chevrier: His own law.

Mr. Pickersgill: Here are his words and I welcome the chance to repeat them:

We intend to help the fishermen who are working in very small boats. We are going to look after them, too.

Mr. Balcer: A boat 65 feet long is certainly not a big ship.

Mr. Pickersgill: That is not what we who represent the fishermen understand to be a small boat.

The Chairman: Order. It being five o'clock, in order for the house to give consideration to public and private bills it is my duty, pursuant to section 3 of standing order 15, to rise, report progress and ask leave to sit again later this day or at the next sitting of the house as the case may be.

Progress reported.

Mr. Speaker: It being five o'clock, the house will now proceed to the consideration of public and private bills, the former having precedence.

SENATE AND HOUSE OF COMMONS ACT

AMENDMENT RESPECTING PRIVILEGE OF SOLICITOR GENERAL

Mr. Frank Howard (Skeena) moved the second reading of Bill No. C-27, to amend the Senate and House of Commons Act (Solicitor General's eligibility).

He said: Mr. Speaker, in rising to introduce the subject matter contained in this bill may I preface my formal remarks by saying that there is no thought whatsoever, nor do I think there should be, of connecting the principle of the bill with any individual who may hold the office at the moment, may have held it in the past or may hold it in the future. The bill deals in a purely objective way with the position itself. The salary of the solicitor general is the same as that of every cabinet minister except the Prime Minister, namely, $15,000 a year plus $2,000 per annum motor car allowance.

There is also protection in Section 14 in the Senate and House of Commons Act to the extent that the solicitor general and other members of the cabinet shall not be disqualified from sitting in the house by reason of accepting this particular salary from the crown. I think upon examination we shall find that the position of the post of solicitor general is different from that of each of his colleagues in the cabinet. I would say again

that when I use any personal pronoun here, it is not meant in a specific sense but only in relation to any individual who might hold the office and the office itself. It is not meant in any personal way. However, the solicitor general is in a different position from that of the other members of the cabinet. I think his post is considered to be somewhat inferior to other cabinet posts.

In this regard I point out the fact that there are a number of references to the post of solicitor general in various statutes of Canada, and that each of them makes a distinction in so far as this post is concerned with respect to the question of motor car allowance. As you will recall, Mr. Speaker, I raised this matter on a previous occasion as a question of privilege which, regardless of the opinions expressed at that time by the Minister of Justice (Mr. Fulton), I think is still valid. However, this is not the time at which to go into that matter. With respect to the motor car allowance of $2,000, in the Appropriation Act No. 5 of 1931, which is chapter 61 of the statutes of that year, vote 352 reads as follows:

To provide for payment annually from the consolidated revenue fund of the sum of $2,000 to each minister of the crown charged with the administration of a department, the Solicitor General, and the Leader of the Opposition,—

Then it goes on to deal with other matters. However, I point out that there is a distinct reference to the solicitor general's office as being somewhat apart and different from that of other ministers. The Salaries Act likewise, which establish as the amount of salary for members of the cabinet, also draws a distinction between the post of solicitor general and each of the other cabinet posts and, in fact, it sets apart the salary of the solicitor general in a separate section from that relating to the other cabinet ministers.

Even when it comes to the method of appointing the person to the office of solicitor general, we find that a distinction is made and that the solicitor general is not appointed, as the other acts say, by virtue of the great seal of Canada. This is notably appointment by the crown. The solicitor general is appointed by his other colleagues in the cabinet or by the governor in council. There again a distinction is drawn.

Even when we came to consider the estimates of the Department of Justice with which the solicitor general is associated, we have found on at least one occasion that it was not necessary or feasible to have the presence of the solicitor general in the committee when the estimates were being considered; and on one occasion when this matter was raised in 1959, the Minister of Justice indicated that he was the officer or the minister responsible for the Department of Justice and would accordingly deal will all aspects of that particular department.

Last session I made an inquiry of the Prime Minister with respect to the duties, functions and responsibilities of the solicitor general. The answer is contained in *Hansard* of February 10, 1960, at page 919 and continuing over onto page 920. Perhaps it would be in order for me to quote a part of the answer given by the Prime Minister. He stated in part as follows:

The only order in council under which the solicitor general at present exercises any statutory functions is order in council P.C. 1959-1113 of August 27, 1959, under which he acts as minister of justice in the absence of the Minister of Justice. However, as one of the legal members of the cabinet he advises the Governor General on the exercise of the prerogative of mercy in all cases except capital cases, and in all capital cases he reports to cabinet.

Then the Prime Minister goes on to make mention of the fact that this is a post which does not have heavy departmental responsibilities and that from time to time the solicitor general may have given to him other assignments. For my part I think the post of solicitor general, with its present attachment of responsibilities which I consider to be extremely light, is nothing more than a high or overpaid position of parliamentary secretary. I think the duties, functions and responsibilities of the solicitor general, as they are at the present time, do not warrant that position either being of cabinet rank or commanding a cabinet salary.

The purpose of the bill may be by some considered to be a bit facetious but it seeks to remove the present protection in section 14 of the Senate and House of ommons Act in so far as the eligibility of the solicitor general is concerned to sit in the house as a member. If the bill passes, two alternatives would be open in so far as the post of solicitor general is concerned. One would be that the position of solicitor general could be held by a member of parliament and that no emolument would be attached to it other than the indemnity of a member. The other alternative would be that the post of solicitor general could be held by someone who is not a member of parliament but is an officer within the department.

I might say that a further clause of the bill provides that it is to come into effect on March 31, 1961. At the time of preparation of the bill it was hoped that it might receive the speedy attention of the house and might perhaps be considered before that date. This date, however, can easily be changed. While the reference is to March 31, 1962, in the bill itself, it is not a hard and fast integral part of the bill.

We know that the Department of Justice is a very extensive one and that it embraces a number of extremely important and complex fields. In fact, this situation was recognized by parliament during the last session when parliament authorized the creation of two associate deputy minister posts within the department.

I should like to make a brief reference to some of the extremely important matters which come under the Department of Justice. One is the administration of the Parole Act, which is extremely important in so far as rehabilitative measures are concerned for people who run afoul of the law. There is also the penitentiaries branch, which is another extremely important section of the Department of Justice and deals with the administration of justice and the meting out of penalties. It is also not dissociated from the administration of the Parole Act.

There is also the question of the administration of justice in the Yukon and Northwest Territories, which cover a very large area and where very complex matters arise. There is the subject matter of the Criminal Code and all the various fields with which the code deals.

There is the function of providing legal advice to the crown. There is the all-important operation of the combines investigation branch and the restrictive trade practices commission, their hearings and possible court cases which arise therefrom. Then there is the administration of the Bankruptcy Act, the Royal Canadian Mounted Police, salaries of judges, and so on.

I think that if we are to retain the post of solicitor general we should recognize the fact that it is a post worthy of more than the sort of scanty responsibility which is attached to it at the present time. I think we should place the solicitor general in a position comparable with other members of the cabinet by establishing some definite departmental responsibility for the post in order that the rank and salary attached to the position will bear some equitable relationship to its responsibilities.

I should think, for argument's sake—and this is not said in any way to detract from the abilities of the present Minister of Justice —that the operations of the combines investigation branch and restrictive trade practices commission, each connected with the other, could very well be two of the functions of the Department of Justice for which the solicitor general could have some ministerial responsibility.

We could say this about the administration of the Parole Act or the penitentiaries branch, for argument's sake, or any of the other matters over which the Department of Justice has jurisdiction which could also be lumped together and the department in some way or other divided in so far as the responsibility of a cabinet member for those functions is concerned.

If the government would consider dividing the Department of Justice in this way in terms of ministerial responsibility, it would place the office of solicitor general in a much more decent light than I think it is in at the moment. As I have said, at the moment it has some sort of scanty or light responsibilities attached to it which result in it being nothing more than a highly paid position of parliamentary secretary. I think this particular post warrants much greater attention than it receives at the moment.

The initial purpose of the bill is to allow either one of two alternatives; that is, we either have a solicitor general to whom no salary is attached and who at the same time is eligible to sit in the House of Commons as a member, or we have the position of solicitor general as one which is official within the department but which does not allow the person holding that position to sit in the House of Commons as a member.

If the government will consider attaching more responsibility to the post of solicitor general, giving it greater recognition than it has in the past, and if it will cease looking upon this post as a position in which to put somebody who comes from a particular part of the country which should have representation in the cabinet, then I think there would be much greater respect for the post not only in the house, not only in the government but in the whole country.

Mr. Frank McGee (York-Scarborough): Mr. Speaker, the first words the hon. member for Skeena (Mr. Howard) uttered when he began his presentation of this bill were that it was not his intention to discuss the individual who might now be occupying the position or those who have occupied it in the past; that somehow we should just forget what has happened in connection with this post and the very distinguished men who have occupied it from time to time in our history.

I suggest to the hon. member that it is a little unrealistic to discuss a cabinet post and say that we cannot discuss anybody who has occupied that position or say anything about the stature of those individuals. To my mind the two are intertwined and it would be folly to attempt to discuss this subject without mentioning some of the people who have occupied this post.

The first person, of course, who comes to mind when one considers the post of solicitor

general is the late Right Hon. Arthur Meighen, who has been judged by history to date and will be judged in the future as one of the outstanding parliamentarians in the history of Canada; a man described by Grattan O'Leary—

Mr. Pickersgill: Who is he?

Mr. McGee: —as being "an arrow's flight above them all"; a man described in various current publications, particularly compared with another late right hon. gentleman, as—if I can recall the words correctly—"looking down like a hawk on this little chicken clucking and scratching in the barnyard".

The Right Hon. Arthur Meighen brought to this post undisputed talent and while occupying it he undertook Herculean tasks. I do not think any other word can describe the undertakings which were assigned to and accomplished by him while he held this post.

In discussing Mr. Meighen's career it seems to me that the very arguments put forward by the hon. member for Skeena, in terms of the lack of departmental responsibility and other particular, defined matters to occupy the solicitor general's time, are defeated because Mr. Meighen was free to attack these serious and important problems and give his full time and effort to them, and they were better accomplished for that reason.

It does seem to me, also—knowing about as much of what goes on in the cabinet as the hon. member for Skeena—that there are a great many other tasks to which the solicitor general is assigned by various cabinet members. I refer to the special problems which we know arise from time to time, which do not come within the specific purview of any one minister, which the hon. member for Skeena pushed aside in a very cavalier fashion. It seemed to me that the hon. member could smell something bad when he referred to this nasty business of area representation. I think the hon. member might find he would have some argument with the people of Newfoundland at the present time.

Mr. Howard: You are distorting my words.

Mr. McGee: Perhaps I was just looking at your nose as you said it. This post is also important, it seems to me, as a training ground. The present Minister of Transport (Mr. Balcer) whose estimates we were considering until five o'clock occupied that position with great distinction and is now doing a most outstanding job as Minister of Transport.

When the hon. member for Skeena was discussing the question of the tremendously important function performed by the solicitor general in presenting to cabinet the background and other related material in cases where application is made to the cabinet in the question of the commutation of death sentences, he passed over the question very lightly. The hon. member for Skeena and I part company here, because I think it of tremendous importance particularly in the last four years when we have had, I think, 38 out of 44 death sentences commuted. If that pattern of commutation and the number of commutations can be attributed in any way to the abilities and talents of the former solicitor general, then if we are discussing how much work one has to do to earn a salary I would say he would be, if anything, underpaid.

I notice also that in the bill the hon. member has abridges the cabinet. He has apparently disbanded the Department of Forestry. He has not included the Associate Minister of National Defence. He has cast aside the Minister of Northern Affairs and National Resources and come up with somebody called "the minister of resources and development". As a matter of fact for a C.C.F.'er approaching the situation I suppose these are modest changes indeed, but it seems to me he might have been consistent enough in his argument and proposal to include the present members of the cabinet, particularly a department like forestry which I honestly thought was of serious concern to the hon. member. There is no minister of forestry mentioned in this line-up.

Mr. Howard: Is the hon. member not aware that at the last session of parliament we passed a special measure relating to the ministry of forestry and that provision for this post is contained therein and not in the Senate and House of Commons Act?

Mr. McGee: In any event, the fact of the matter is that in the list I have here those ministers are not mentioned. It seems to me the hon. member has not too clear an idea of what is going on in the cabinet nor an appreciation of the importance of the functions which are performed by the solicitor general.

Mr. Thomas M. Bell (Parliamentary Secretary to the Minister of Justice): The hon. member for Skeena (Mr. Howard) has sponsored a number of bills this session and when they were good ones we were ready to give him credit. I know that in the case of the bill to amend the Penitentiary Act we said that there was some good thinking contained in it and I, personally commended him on it at that time.

Today, in this bill to amend the Senate and House of Commons Act in connection with the solicitor general's eligibility, we have a frivolous bill which, in my opinion, is time wasting. It would have the effect of

depriving the solicitor general of the privileges he enjoys by virtue of section 14 of the Senate and House of Commons Act wherein permission is given to members of the Queen's privy council to act as privy councillors and to receive the remuneration from that post, and also to be members and sit in the House of Commons. The hon. member's proposal would have the effect to making it impossible for a member of parliament to sit in the house and also to be solicitor general. You could have one or the other. That is a general interpretation of this proposal.

I took a moment to look at some of the background of this historic position of solicitor general. I find that for many years this position has existed in Canada as it has in most other commonwealth countries. In 1917, the Right Hon. Arthur Meighen, as has been said, was appointed solicitor general and a member of the cabinet. He had previously been solicitor general and a member of the ministry. I presume it was felt at that time that the job had become sufficiently onerous for him to become a full-fledged member of the cabinet. That has been the position since that time. There have been many distinguished solicitors general and they have performed worth while duties. We must bear in mind, of course the heavy legislative work that many of them have carried from the time of Arthur Meighen onwards.

Mr. Winch: Could the hon. member explain to the house what is the basis of the right to be a privy councillor? He has mentioned Arthur Meighen and others.

Mr. Bell (Saint John-Albert): I shall try to relate that to my remarks by saying that for many years in the early days the position of solicitor general was such that he was only a member of the ministry. He would be a member of the House of Commons and also a member of the ministry. He would have particular ministerial responsibilities. In 1915, the Right Hon. Arthur Meighen, as I recall, was solicitor general, a member of parliament and a member of the ministry but in 1917 it was felt important that the holder of this ministry should be included among those with full cabinet responsibilities. I am not able to say whether the Right Hon. Arthur Meighen was a member of the privy council before 1917 but I am only making the point that in 1917 he became a full member of the cabinet and a member of the privy council, whereas before he had only been—

Mr. Winch: You have completely missed my point. Was he made a member of the privy council because he was solicitor general?

Mr. Bell (Saint John-Albert): The hon. member would have to ask Sir Robert Borden that, because I do not know whether he wanted the benefit of the Right Hon. Arthur Meighen's experience in the cabinet, or the position of solicitor general or a combination of both.

I think the hon. member for Skeena made a most telling argument against his own bill when he quoted the Prime Minister speaking on February 10, 1960 in last year's *Hansard* as reported at page 919 on the occasion when the right hon. gentleman answered the question put to him by the hon. member who has been interested in this subject for some time. The Prime Minister said:

> In addition, as is customary in the case of a legal member of the cabinet not having heavy departmental responsibilities he is assigned responsibilities from time to time for which he would not have time if he were engaged in the management of a department.

The hon. member then presented a long story about the heavy responsibilities that come under the jurisdiction of the Department of Justice, and the complex legal nature of many of its activities. That, precisely, is one of the best arguments for the need for a solicitor general. I only suggest that there are these increasing responsibilities of a legal nature, and that we have a distinguished person presently in the position of solicitor general, as we have had in the past.

I remember in 1954 the Right Hon. Louis St. Laurent was speaking in respect of the Salaries Act, when he outlined, probably in answer to some questions, the principle that each cabinet minister should receive the same salary. He made a very good case as to why he felt there should not be different designations of salaries. I was impressed with his statement at that time and suggest the reasons put forward then are valid now.

In dismissing this bill, I suggest it is frivolous and ridiculous, and has been brought forward in an attempt to seek publicity.

Mr. Howard: Mr. Chairman, would the hon. member permit a question.

Some hon. Members: Question.

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

Some hon. Members: Question.

Mr. Deputy Speaker: Those in favour of the motion will please say yea.

Some hon. Members: Yea.

Mr. Deputy Speaker: Those opposed will please say nay.

Some hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the nays have it, and I declare the motion lost.

Mr. Winch: On division.

Motion (Mr. Howard) negatived on division.

REPRESENTATION ACT

AMENDMENT TO CHANGE NAME OF CONSTITUENCY

Mr. Reynold Rapp (Humboldt-Melfort) moved the second reading of Bill No. C-29, to amend the Representation Act.

He said: Mr. Speaker, I am extremely pleased to have this opportunity to introduce Bill No. C-29, an act to amend the Representation Act. The purpose of the bill is very simple, namely to change the name of the electoral district of Humboldt-Melfort to that of Humboldt-Melfort-Tisdale.

The present name of the constituency, Humboldt-Melfort, was established under the Redistribution Act of 1952. Prior to that time there were two federal constituencies in existence, namely Humboldt and Melfort. Since that change, within the federal constituency of Humboldt-Melfort, the town of Tisdale and district has been added. The name of Tisdale also appears as one of the provincial constituencies in Saskatchewan. The people of Tisdale and district feel that, although no injustice was done to them through omitting the name of Tisdale, in all fairness it should be added to the names Humboldt-Melfort so that it would then be Humboldt-Melfort-Tisdale.

Representations in this regard were first made to me in 1959 when I was home during the parliamentary recess. The Tisdale district chamber of commerce invited me to attend a meeting, having been in touch with me by letter. A letter was directed to Mr. Castonguay, the electoral officer for Canada, which I should like to read into the record at this point. That letter is as follows:

> Re: Humboldt-Melfort constituency
> The matter of the name of our constituency was discussed at our recent chamber of commerce meeting.
> As you know, this constituency includes the three major towns of Melfort, Humboldt and Tisdale. We feel that the size of Tisdale is such that it should be included in the name of the constituency.
> We would be pleased to hear your comments in this regard.

This letter is signed by Mr. W. R. Hodgins, the secretary of the chamber of commerce, and is dated October 5, 1959.

I have not read the reply to that letter but apparently Mr. Castonguay advised the chamber of commerce that it was not within his jurisdiction to suggest or effect a change in name, but that on occasion private members introduced public bills in the House of Commons which were approved.

I received a telegram from the district chamber of commerce on May 18, 1961 which reads as follows:

> Tisdale and district chamber request the name of Tisdale be added to the name of Humboldt-Melfort federal constituency—Tisdale and district chamber of commerce. W. R. Hodgins.

I should like to point out that this bill was introduced by me for the first time in 1960, but did not come before the house for approval before now. During this time no objection has been registered by any town, organization or individuals in the constituency, nor has any political party expressed any objection to the name of Tisdale being added to that of Humboldt-Melfort.

During the last few years the town of Tisdale and district has increased considerably in population and has also assumed a very prominent position as a distributing point for the Carrot river valley. This district is also known as a very productive farm district, evidence of which can readily be seen in the district.

Tisdale is known as the centre of the rapeseed industry in the west. Need I say more, Mr. Speaker? This fact alone has put Tisdale and district on the map as being the pioneer area in this very important grain industry in the west. Had it not been for the Tisdale rapeseed producers, and their early pioneering adventures in this field, Canada would not have been known in the world as the land where some of the best rapeseed is produced.

As a result of this worth-while undertaking by Tisdale inhabitants, the prairie farmers in the west have been able to diversify their grain production, thus taking thousands of acres out of wheat production, and have produced rapeseed, for which there is a tremendous export market available at the present time.

I realize, Mr. Speaker, that this is not the time to speak on rapeseed, but it is very important and relevant to the growth and importance of Tisdale.

Some hon. Members: Carried.

Mr. Rapp: I would appreciate very much if consideration could be given to this bill so that the name of Tisdale can be added to the federal constituency. The people of Tisdale will then realize that they have not been disregarded in this respect.

That is all I have to say at the present time as the mover of Bill No. C-29, which was seconded by the hon. member for Meadow Lake (Mr. Cadieu). Thank you.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, as a native of Norfolk county, from which the Tisdale came who went to Saskatchewan and gave that town its name, I should like to give the heartiest possible support to this bill. It is true that the Tisdales were Tories, and I think they still are—

Some hon. Members: Hear, hear.

Mr. Pickersgill: I see the hon. member for Brant-Haldimand (Mr. Charlton) is nodding his head because he has knowledge of these things.

I think the Tisdales are still Tories, although some of the individuals they had something to do with bringing into the world, have seen the light. There have been Tisdales representing Norfolk county on the wrong side of the house in the past, and there have been some who have unsuccessfully tried to represent that constituency in the twentieth century.

The name Tisdale goes back to the beginning of upper Canada, whence came so many of the pioneers of Saskatchewan who were joined later by pioneers such as the present hon. member for Humboldt-Melfort, who was wise enough and fortunate enough to come to Canada in 1929 when there was a Liberal government in power that would let him in. In view of all these circumstances and also because of the great affection I have had for the hon. member since he first came to the house it gives me great personal satisfaction to support this bill.

Hon. Paul Martin (Essex East): Mr. Speaker, on other occasions I have supported the hon. gentleman who sponsors this bill. I supported him in his campaign to improve rapeseed. As he knows, no one has given him greater support in that regard than I have. I regret that both he and I have had some difficulty in impressing on the government the desirability of doing something about rapeseed; but the hon. member for Bonavista-Twillingate has now made a rather serious charge. He says he supports this bill because of his own honoured connection with the name Tisdale, but he says the Tisdales are Tories. Since the hon. gentleman who sponsors this bill is not a Tory by nature I should like him to give some assurance that there is some hope of converting—

Mr. Rapp: On a question of privilege, I appreciate very much what my hon. friend from Essex East has said except the last sentence, with which I disagree, because I am a Progressive Conservative and I am proud to be one.

Mr. Martin (Essex East): Mr. Speaker, the hon. gentleman has raised a question of privilege. If I have offended him in any way I of course want to withdraw my offensive words, but he has not made his case any stronger by the admission he just made. I did not charge him with being a member of the Progressive Conservative party, although I had thought that members of that party had long since abandoned the Progressive Conservative name. At one time they were known as Liberal Conservatives and Liberal Progressives. I thought they had abandoned the name "Progressive Conservative"; in fact, I thought they had abandoned the name "Conservative"; that they were no longer known as the Conservative party; that they were now called by the name of their leader. However, perhaps I misunderstand the situation.

I know that during the last election when I visited the riding of Prince Albert and saw the committee rooms of the candidate—

Mr. Deputy Speaker: Order. May I inquire of the hon. member whether he is speaking to the question of privilege or to the bill?

Mr. Martin (Essex East): Well, I thought I was talking about the bill but I may have perhaps strayed a little bit in saying that when I visited the committee rooms in Prince Albert I did not see any political designation other than the name of the candidate.

However, I want to say to the hon. gentlemen I sincerely hope that if his bill receives second reading, which the hon. member for Bonavista-Twillingate wants it to receive, he will repair the damage to the great name of Tisdale which the hon. member for Bonavista-Twillingate has talked about.

In any event I wonder whether the sponsor of the bill can answer this question? Is it important that the bill receive second reading and be passed now or can we wait until 1963 when the government proposes to call the next federal election?

Mr. Rapp: It is important that it pass now.

Mr. Deputy Speaker: If the hon. member for Humboldt-Melfort speaks now he will close the debate. I see the hon. member for Athabasca.

Mr. F. J. Bigg (Athabasca): Mr. Speaker, I should like to add my support to this bill. Since I am a native of the Carrot river valley and first became conscious of the wonders of northern Saskatchewan in the town of Tisdale I should like to have seen the bill add the name "Carrot River". I bow to the wishes of the hon. member for Humboldt-Melfort, particularly because of the commendable work he is doing in pressing for a change in the rates for rapeseed on the railway.

Mr. H. W. Herridge (Kootenay West): I did not realize the previous speaker was going to be so brief. I have been sort of delegated to

say a word or two about this bill in place of one of our members who is unfortunately detained at a committee meeting. I fully appreciate the desire of the hon. gentleman who sponsors this bill to include as many localities in the name of his constituency as possible. It has been brought to my attention that Tisdale is not the only thriving community in the area. The people in the town of Wadena would like to have the name of their town included in the name of the bill.

I understand that the majority of the people there are not of the same political complexion as the hon. member who represents the constituency, but I have been asked to bring this to the attention of the house. I hold in my hand a copy of the map showing the constituency of Humboldt-Melfort as it is now known. According to the explanatory note, the purpose of the bill is to change the name of the electoral district of "Humboldt-Melfort" to that of "Humboldt-Melfort-Tisdale". In view of the fact I have been informed that the people of Wadena would like to have the name of their town attached to the new name proposed for this constituency, I should like to ask the hon. gentleman, when we get into committee, whether he has any objection to adding "Wadena" to his bill, in view of the representations that have apparently been made to some members of this group by persons living in the town of Wadena, which I understand is also a very progressive little town. If this were done they think it would more completely describe the constituency than the present bill which proposes to add only the word "Tisdale" to the name of the constituency.

Mr. Reynold Rapp (Humboldt-Melfort): Mr. Speaker,—

Mr. Deputy Speaker: I must inform the house that if the hon. member for Humboldt-Melfort speaks now he will close the debate.

Mr. Rapp: Mr. Speaker, in reply to the suggestion of the hon. member for Kootenay West, I wish to say that I have just as much respect for Wadena as I have for any other town in my constituency. The people are just as thrifty as are the people of any other section of my constituency.

As I stated in my opening remarks, when I introduced the bill in 1960, it was advertised around the community and in the local press and no letter came to my desk requesting that the name of Wadena be added, nor was any complaint or any objection voiced in my constituency. It is now over a year since it has been known that the bill was before the house to change the name of the constituency by adding the word "Tisdale". Had I been asked I would have been prepared to bring the matter to the attention of the house. What I am doing now is bringing before the house the request of the Tisdale district chamber of commerce.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Flynn in the chair.

On clause 1—*Humboldt-Melfort-Tisdale.*

Mr. Howard: Mr. Chairman, I have listened with a great deal of interest to what the sponsor of the bill has said about the various component parts of his constituency, how each of them naturally plays an extremely important role in the economy of the constituency and how much respect and admiration the hon. member has gained by getting in touch with the various people concerned with respect to altering the name of the constituency so that it would reflect—

Mr. Rapp: On a question of privilege, Mr. Chairman, the hon. member said that I had been in touch with these people. It was the other way around. The chamber of commerce of Tisdale got in touch with me and made representations to have the name added.

Mr. Howard: I did not mean that the hon. member precipitated it but rather that he had been in touch with these people. That was what I had in mind. Something has been said about another extremely important community in the riding, namely, Wadena, which is no less important than any of the others. From what the hon. member said in closing the debate I gather it is a community for which he has the highest regard and respect and which also would have liked to see its name included in the name of the constituency. I think we should afford Wadena the opportunity of also having its name included in the name of the constituency and I therefore move:

That clause 1 be amended by adding in line ten after the word "Tisdale" the following "-Wadena".

It would then read: "Humboldt-Melfort-Tisdale-Wadena".

An hon. Member: Cheap.

Mr. Howard: That is a nasty remark for somebody to make.

Mr. McIlraith: Very nasty and uncalled for.

Mr. Howard: Typically Conservative though.

The Chairman: Order.

Amendment (Mr. Howard) negatived: Yeas, 3; nays, 44.

Clause agreed to.

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the said bill be read the third time? Now, by leave?

Mr. Pickersgill: Now, by leave.

An hon. Member: Next sitting of the house.

Mr. Deputy Speaker: Next sitting of the house.

Some hon. Members: Now.

Mr. Deputy Speaker: I will give hon. members a few seconds to reflect and put the question again. Is there unanimous consent to third reading now?

Some hon. Members: Agreed.

Mr. Rapp moved the third reading of the bill.

Motion agreed to and bill read the third time and passed.

INDUSTRIAL RELATIONS

SUGGESTED REVISION OF MEDIATION AND CONCILIATION PROCESSES

On the order:

Second reading of Bill C-30, an act to amend the Industrial Relations and Disputes Investigation Act.—Mr. Howard.

Mr. Frank Howard (Skeena): Mr. Speaker, before the order is proceeded with I wonder whether it might not be considered to be six o'clock?

Some hon. Members: No.

Mr. Howard: Then I should like to raise a point of order.

An hon. Member: The order has been called.

Mr. Howard: If hon. members are not inclined to follow the course suggested by me, I can understand why they feel that way. My point of order is that some time ago a statement of policy was made by a representative of the government with respect to public bills sponsored by private members. It was pointed out that this period of time was considered to be purely within the hands of private members and in order that they might prosecute properly the various proposals made by them it was felt that no interference should be placed in the way of members being given the fullest opportunity to present their different ideas as embodied in bills sponsored by them.

Today we have seen this course followed in an admirable way, I should say, in two instances, one of them involving a bill introduced by me which was defeated. I am not upset about that. In my view more public bills sponsored by private members should come to a vote in the house regardless of whether they are accepted or defeated. That is immaterial to the basic point of having a vote.

Some hon. Members: Six o'clock.

Mr. Howard: The same commendable course was followed with respect to the bill we have just passed, and I think the house should come to a decision on these bills.

Mr. Deputy Speaker: I am sorry to interrupt the hon. member but it is six o'clock.

BUSINESS OF THE HOUSE

Mr. Chevrier: May I inquire what the business is for tomorrow? I think the house leader also indicated that he would tell us what legislation would be taken next week as well as the order of business for the whole of the week.

Mr. Churchill: The estimates of the Department of Transport will be taken tomorrow. If they are completed we will go on with the estimates of the Department of Justice. I said last night that we would take legislation on Monday and Tuesday and this will be the order. We will take first No. 1 on today's order paper, Bill No. C-94, an act to amend the Canadian National Railways Act. That will be followed by a bill to amend the Canada Shipping Act, notice of which has appeared in *Votes and Proceedings* and which will appear on the order paper for first reading tomorrow. The third item will be No. 4 on today's order paper, Bill No. C-77, dealing with agricultural development. The fourth item will be a resolution which will appear on the order paper tomorrow dealing with amendments to the Judges Act. The fifth item will be a bill to amend the Combines Investigation Act, notice of which has also appeared in *Votes and Proceedings*.

On Tuesday it is proposed to commence with item No. 5 on today's order paper, Bill No. C-92, an act to amend the Criminal Code.

Mr. Chevrier: May I inquire what the estimates will be for next week?

Mr. Churchill: It is difficult to forecast the estimates for next week. It will depend on the progress made tomorrow but the intention at the moment is to carry on with transport and then justice.

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

APPENDIX

LETTER FROM JAPANESE AMBASSADOR RESPECTING VOLUNTARY CONTROLS, WITH ANNEXES

EMBASSY OF JAPAN

Room 701, Metcalfe Building,
88 Metcalfe Street,
Ottawa, Ontario.
May 15, 1961.

The Honourable Donald M. Fleming,
Minister of Finance,
Confederation Building,
Ottawa, Ontario.

Dear Sir,

I wish to refer to the annual consultations which have just been concluded between the Canadian government and this embassy about voluntary controls to be applied by Japan on the export of certain products to Canada in respect of the year 1961. As you know, the items we discussed were certain textile products, rubber footwear, plywood, stainless steel table flatware, transistor radios, polyester staple buttons, vinyl raincoats, and receiving tubes for radio and television.

I am now pleased to inform you that as a result of the consultations my government has decided to apply in respect of the calendar year 1961 voluntary export controls as set forth in the annexes to this letter.

Quotas will be allocated to Japanese exporters or producers so that shipments will be spread fairly evenly over the year, the quotas for textile goods, flatware and plywood being allocated on a quarterly basis, with due allowance for the fact that the demand in Canada for some of the quota items is seasonal in nature. However, it should be noted that in respect of a few items there are no actual quota allocations, exports being controlled by a different system.

I wish to take this opportunity to reiterate that, as I mentioned in my letter dated April 29, 1960, these measures are taken by the Japanese government on its own accord in order to conform with its established policy of gradual increase of Japanese exports on an orderly basis with a view to avoiding undue injury to the domestic industry of importing countries. It is the view of the Japanese government that export volumes of the controlled items should normally increase from year to year having regard to market conditions in Canada. Taking into consideration the adverse conditions in the Canadian textile industry and the general economic situation in Canada, the export quotas for almost all of the textile products have been set for 1961 at the same levels as those for 1960. With the improvement of the situation in the Canadian market my government will naturally anticipate gradual increases in these export quotas in future years.

The quota figure indicated in the annex for stainless steel table flatware represents a large scale reduction of the previous year's export quota and therefore in terms of the concept of orderly growth constitutes an exceptional decision by my government for the year 1961. This decision has been taken in consideration of the difficult business conditions of the Canadian flatware industry as described by Canadian government authorities during the consultations. This exceptional reduction should not be regarded as a precedent in relation to future years or other products.

Furthermore, I should like to remind you again of what I stated in my letter dated April 29, 1960, to the effect that the Japanese government attaches the utmost importance to avoiding a situation where third countries are able to expand their sales to Canada of the products placed under Japanese export control by virtue of the fact that Japan has undertaken to limit her shipments. Should it transpire that such diversion of trade is taking place, I would hope your government would be willing to enter into consultation with my government at any time my government believes that developments warrant it in order to protect Japan's legitimate interests.

In communicating this information to you, I assume that in respect of the products listed in the annexes, for which firm quantities are specified, Canada will not, during the year 1961, invoke the provisions of article XIX of the GATT or those of the exchange of letters annexed to the agreement of commerce of 1954 between Canada and Japan.

I take this opportunity to renew my firm belief that by applying these self-restraining measures we help to pave the way for further expansion of two way trade on an orderly basis, to the mutual benefit of both countries.

Yours sincerely,
Toru Hagiwara
Ambassador

ANNEX A

Voluntary Quotas on the Export of Japanese Textile Goods to Canada for the Year 1961

Item	Fibre	Description	Quantity
1	Spun rayon	Blouses	124,000 dozen
		Shirts (including dress and work shirts and sport shirts)	177,000 dozen
		Total blouses and shirts	301,000 dozen
		NOTE: There is provision for a 10 per cent swing from one subquota to another but the total of the two subquotas will not exceed 301,000 dozen.	
2	(a) Spun rayon	Trousers and outer shorts	125,000 dozen
	(b) Synthetic other than spun rayon	Trousers and outer shorts	6,000 dozen
	(c) Spun rayon and other synthetic	Other garments in the coats and slacks group:	
		Outer wear (includes suits, coats, raincoats, jackets, jumpers, skirts, etc.)	85,000 dozen
		Inner wear (includes nightwear, woven underwear, etc.)	21,000 dozen
		Total coats and slacks	237,000 dozen
		NOTE: There is provision for a 10 per cent swing from one subquota to another but the total of the four subquotas will not exceed 237,000 dozen.	
3	Spun rayon and other synthetic.	T-shirts and other knitted shirts	129,000 dozen
		Other knitted wear	108,000 dozen
		Total knitted wear	237,000 dozen
		NOTE: There is provision for a 10 per cent swing from one subquota to another but the total of the two subquotas will not exceed 237,000 dozen.	
4	All textile fibres	Elastic braid	400,000 lbs.
5	All textile fibres	Elastic webbing, woven	433,800 lbs.
6	Cotton	Blouses	185,000 dozen
		Sport shirts	205,000 dozen
		Blouses and sport shirts	390,000 dozen
		Dress and work shirts	90,000 dozen
		Total blouses and shirts	480,000 dozen
		NOTE: There is provision for a 10 per cent swing between the two subquotas for blouses and sport shirts, but the total of the two subquotas will not exceed 390,000 dozen.	
7	Cotton	Trousers and outer shorts	80,000 dozen
		Other garments in the coats and slacks group:	
		Outer wear (includes suits, coats, raincoats, jackets, jumpers, skirts, etc.)	196,000 dozen
		Inner wear (includes nightwear, woven underwear, etc.)	49,000 dozen
		Total coats and slacks	325,000 dozen
		NOTE: There is provision for a 10 per cent swing from one subquota to another but the total of the three subquotas will not exceed 325,000 dozen.	
8	Cotton	T-shirts and other knitted shirts	270,000 dozen
		Other knitted wear	93,000 dozen
		Total knitted wear	363,000 dozen
		NOTE: There is provision for a 10 per cent swing from one subquota to another but the total of the two subquotas will not exceed 363,000 dozen.	

Item	Fibre	Description	Quantity
9	Cotton	Damask table cloths	1,210,000 sq. yds.
10	Cotton	Pillow cases	180,000 dozen
11	Cotton	Fabrics NOTE: The Japanese government will use its best endeavour with Japanese producers and exporters so that within the quota gingham and velveteen will be shipped at least to the extent of actual 1960 shipments.	25,500,000 sq. yds.
12	Cotton	Sheets	666,000 pieces
13	Synthetic (other than spun rayon)	Blouses Shirts (including work shirts and sport shirts)	12,000 dozen 38,000 dozen
		Total blouses and shirts NOTE: There is provision for a 10 per cent swing from one subquota to another but the total of the two subquotas will not exceed 50,000 dozen.	50,000 dozen
14	All textile fibres	Bedspreads	600,000 pieces
15	All textile fibres	Dish towels	400,000 dozen
16	All textile fibres	Ladies' dress gloves, sewn	314,000 dozen
17	Synthetic (including rayon and spun rayon)	ribbons of the following types: Faille; lingerie-grosgrain; woven-edge satin; corded ribbon; seam-binding NOTE: Corded ribbon of all types is to be subject to control within this quota figure, and it is to be noted that the following type of corded ribbon, which has been used by Canadian distillers, is specifically included: "Corded ribbon, approximately $\frac{1}{4}$" wide, made of man-made fibres, with black edges and gold centre, whether shipped in various cut lengths or in continuous rolls."	142,000 lbs.
18	Nylon	Fabrics	2,600,000 sq. yds.

Explanatory Notes

1. All of the above quotas apply to total exports in the 12 month period ending December 31, 1961.

2. Where there is provision for a 10 per cent swing between or among subquotas no subquota will be increased by more than 10 per cent of the result of any transfer. For example, in the case of cotton blouses and sport shirts, the maximum application of the swing provision would result in shipments of (a) blouses, 203,500 dozen; sport shirts, 186,500 dozen; or (b) blouses, 164,500 dozen; sport shirts, 225,500 dozen.

3. In connection with the 10 per cent swing provision, and also more generally, the Japanese government will use its best endeavour to urge Japanese producers and exporters so that there will be no undue concentration on any item within the quota categories.

4. The following is a table of criteria used by the government of Japan to distinguish the quota categories of made-up textiles which are a mixture of various fibre components. The basic principle for the criteria is chief value, converted into percentage of fibre content by weight, so that the percentages vary extensively.

Defined as	Fibre Composition	Percentage of Fibre Content (By Weight)
Cotton	Cotton and silk	88 per cent and over cotton
	Cotton and wool	67 per cent and over cotton
	Cotton and rayon filament	40 per cent and over cotton
	Cotton and spun rayon	30 per cent and over cotton
	Cotton and synthetic fibre	51 per cent and over cotton
Spun Rayon	Spun rayon and wool	91 per cent and over spun rayon
	Spun rayon and silk	91 per cent and over spun rayon
	Spun rayon and jute, flax	71 per cent and over spun rayon
	Spun rayon and synthetic fibre	71 per cent and over spun rayon
	Spun rayon and cotton	71 per cent and over spun rayon
	Spun rayon and rayon filament	Regardless of percentage fibre content
Rayon filament	Rayon filament and cotton	61 per cent and over rayon filament
	Rayon filament and synthetic fibre	51 per cent and over rayon filament
Synthetic fibre	Synthetic fibre and rayon filament	50 per cent and over synthetic fibre
	Synthetic fibre, jute, flax	50 per cent and over synthetic fibre
	Synthetic fibre and cotton	50 per cent and over synthetic fibre
	Synthetic fibre and spun rayon	30 per cent and over synthetic fibre

Other Secondary Textile Products on Which Voluntary Controls Are Maintained

1. Woollen sweaters, pullovers and cardigans
2. Woollen knitted gloves and mittens
3. Paper caps, paper hats and hat bodies
4. Silk and silk rayon mixed scarves and mufflers
5. Rayon gloves and mittens, excluding ladies' dress gloves, sewn
6. Bed sheets other than cotton
7. Pillow cases other than cotton
8. Woollen coats and slacks
e.g. Suits, trousers, skirts, dresses, coats, etc.

Note: In respect of these items it is the intention of the Japanese government to establish export quotas for the year 1961 which will provide for moderate and orderly increases on the basis of actual shipments during 1959 and 1960.

ANNEX B

Rubber Footwear

The quotas for the 12 month period ending December 31, 1961, are as follows:

Waterproof footwear 1,900,000 pairs
Canvas footwear ... 2,560,000 pairs

The above figure for canvas footwear includes the quantity of certain types of rubber-soled footwear with textile uppers already shipped since January 1, 1961, which were previously free of export quota control but now fall within the definition of the canvas footwear given below, which special quantity in no way constitutes the basis for a quota for 1962.

Note: 1. Waterproof footwear means waterproof vulcanized rubber footwear including footwear either of rubber sole or rubber-like sole with cloth upper, lined or unlined, and also one-piece moulded plastic footwear, lined or unlined.

2. Canvas footwear means shoes with rubber soles or rubber-like soles, and with outer uppers of fabrics made of natural or man-made fibres or outer uppers simulating such materials, excluding slippers and sandals.

ANNEX C

Plywood

The quota for the six month period ending June 30, 1961, is 22,500,000 square feet. The quota for the last six months of 1961 shall be determined after another consultation to be held between our two governments in due course.

ANNEX D

Stainless Steel Table Flatware

The quota for the 12 month period ending December 31, 1961, is 642,000 dozen pieces, of

which 42,000 dozen pieces is a quota for 1961 only to provide for shipments of flatware for the premium trade in respect of which firm orders have been placed and irrevocable letters of credit transmitted.

Note: Stainless steel table flatware means stainless steel table knives, forks and spoons, of which the length is under 26 cm and of which the handles are made of metal.

ANNEX E

Transistor Radios

The quota for the 12 month period ending December 31, 1961, for radios with 3 or more transistors is 395,000 sets.

ANNEX F

Receiving Tubes for Radio and Television

The quota for the 12 month period ending December 31, 1961, is 2,500,000 units, and it will for the time being apply to all Japanese exports to Canada of radio and television receiving tubes. However, it is understood that the Canadian government will during the next few months give the Japanese government a list of tube types in respect of which Canada relies upon imports, rather than upon Canadian production. The types of tubes on this list will be freed of quota control.

ANNEX G

Vinyl Raincoats

The quota for the 12 month period ending December 31, 1961, is 520,000 units.

ANNEX H

Polyester Staple Buttons

The quota for the 12 month period ending December 31, 1961, is 1,000,000 gross. The quota applies to buttons with a diameter of 1½ inches or less.

HOUSE OF COMMONS

Saturday, May 20, 1961

The house met at 11 a.m.

EXTERNAL AFFAIRS

REPORT ON CONFERENCES IN OSLO AND GENEVA

Hon. Howard C. Green (Secretary of State for External Affairs): I thought the house might be interested if I made a short report on the two conferences which I have been attending, the first in Oslo, which as hon. members know was a meeting of the foreign ministers of NATO countries, and the second in Geneva, which was dealing with the question of Laos.

First of all I shall deal with the NATO meeting, which was held under very favourable conditions. Oslo is a lovely city, almost as nice as Vancouver, particularly at this time of year.

Probably the senior statesman of NATO is the Hon. Halvard Lange, the foreign minister of Norway. This meeting was held in his home country, and that made the atmosphere very friendly and statesmanlike. Norway, of course, is a wonderful friend of Canada, and that is true of all the Scandinavian countries, of which there are two others in the NATO organization, Denmark and Iceland. With these Nordic countries Canada has most friendly associations.

At this conference the chairman was the new secretary general of NATO, Dr. Stikker of the Netherlands. It was very difficult for him, of course, having taken over such a short time ago, but he contributed a great deal to the success of that meeting.

Certainly one of the most important discussions consisted of a review of the international situation. This was commenced by Dean Rusk, the new secretary of state of the United States. He made a very full and helpful statement concerning the situation in the world as seen by his great country.

There were various centres of interest discussed, such as Germany, and particularly Berlin, and it was generally agreed that this is the most vital area in the world today in so far as east-west tensions are concerned. Other questions which were discussed concerned the situations in Cuba, Laos and the Congo, as well as disarmament, colonialism and the United Nations, and the difficult economic positions of Greece and Turkey. These two countries, on the eastern flank of the alliance, do not have many of the advantages of the other members. Their economic condition is not nearly as good, they have special problems. They need special help.

There was also some slight discussion regarding defence questions, although the main discussions on that subject will take place at the December meeting when the Ministers of National Defence and Finance will be present as well as the foreign ministers.

Canada, of course, has been very firm in her attitude on Berlin, and more than once our Prime Minister has made it clear that we stand behind the people of West Berlin in their determination to retain their freedom. In respect of disarmament, Canada's position is very well known, and I think appreciated, by our NATO colleagues. It seems very likely that the United States and the Soviet union will commence discussions early next month aimed at working out an agreed negotiating forum. I would think that all the nations which participated in the 10-nation disarmament talks would be included in the negotiating group and, of course, our own country was one of those. Probably there will be others, we hope in the capacity of a neutral chairman and perhaps vice chairman and secretary. There is a reasonable chance that as a result of those discussions which are to take place between the United States and the Soviet union, disarmament talks proper can be resumed about August 1. It would be unwise to give any guarantees about that date, but I am very hopeful that this will be the result.

On the question of the Congo, we pointed out that Canada considers that peace-keeping activities such as our participation in the United Nations Congo operation are of great value to the other members of NATO even though they do not happen to be participating directly in that very important work. There has been some tendency to question Canada as a NATO country being a member of the United Nations committee on the Congo, and perhaps a few eyebrows have been raised about our taking a part in Laos. But we pointed out that this is a role which Canada is particularly well fitted to fill, and that those peace-keeping activities are extremely important in the over-all objective of maintaining peace which is the objective, of course, not only of the United Nations but also of

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the NATO alliance itself. I believe the Canadian point of view is approved by the other members of NATO.

We were attacked in the United Nations from time to time regarding our actions in respect of the Congo because we happened to be a NATO country, and it would be a little bit thick if we were also to be attacked by our NATO allies on the ground that we were participating in this United Nations action. I think this question has been pretty thoroughly cleared up.

On the attitude of NATO to the United Nations, I believe there is now unanimous appreciation among all NATO countries that they must play their full part in the United Nations; that it is not good enough to sit off in a NATO alliance and not be very keen about helping out in the United Nations. Canada has never seen much sense in a hands-off attitude of that kind, and there has certainly been a distinct move in the direction of our views on this question by the other members of the alliance.

The question of colonialism is a very important one. Our position on this issue is perfectly clear because of two stands taken by our own Prime Minister. First there was the stand he took at the United Nations in his inspiring speech there last September when he pointed out that the Soviet union had a great deal of nerve to be trying to criticize the western nations on the question of colonialism while at the same time there was not the slightest move on their part to give any kind of independence to the countries which at one time were free and which are now part of the Soviet union.

The other stand was the one taken at the commonwealth prime ministers' conference. That made it clear beyond per-adventure where Canada stood with regard to nations achieving their independence, and our position on this point is very clear. Mind you, the colonial question is exceedingly difficult for some of the NATO countries, but at the same time I should point out that two of the NATO countries have taken the lead in giving independence to dependent countries, first the United Kingdom and then the republic of France. They deserve great credit for what they have done in the way of settling the question of colonialism. There is quite a long way to go yet, and I think all members of NATO realize that this problem must be faced and that the countries being held as dependencies must get their independence.

Hon. members will realize that there was very good consultation at this meeting, and I think there has also been a distinct improvement in the consultations taking place in the permanent council of NATO. Canada is very well satisfied now with the degree of and opportunity for consultation. We brought up again the question of a heads of government meeting. Once a little further progress has been made in the long term planning for the alliance, I am hopeful that the heads of government will be brought together to approve or alter the recommendations made. I think it is very important that the heads of government should meet at the earliest time that makes sense; that is, when the necessary preliminary work has been completed.

The conference on Laos was, of course, a very different kind of conference. It did not have any head, and I have never attended a conference quite of this type. There have not been many held. There was a good deal of difficulty in commencing. In the first place, word from the international supervisory commission that a cease fire was in effect was not received until the morning of the day the conference was to open. After some deliberation, the report that a cease fire was in effect was accepted as satisfactory.

Then there was another problem as to what would be done about seating the Laotian delegates. There were three sets of delegates, one from the royal Laotian government, one from the government of Souvanna Phouma, and one from the Pathet Lao. This was really a very complicated question, and almost to the minute set for the opening there was uncertainty whether or not the conference would go on.

We thought it would not be proceeding, but just to be sure and to show that at least we were not stalling the beginning of the conference, the Canadian delegation streamed up to the headquarters of the European branch of the United Nations. Nobody else was in front of the main entrance except about 150 newspapermen and photographers, who were not quite sure either whether or not the conference was beginning.

When we talked to the senior man at the United Nations he told us that he had received a message a few minutes earlier from the British, the United Kingdom being one of the two co-chairmen, the other being the Soviet union. This was the message:

> We have agreed on the simple formula that there will be no meeting this afternoon at 3 p.m. (May 12) and cannot say anything about the future.

There was, therefore, no meeting that afternoon. We had a good look at the conference room and found we were to be seated next to the Chinese. We learned other details as well about the proceedings. This question of the Laotian representation was not settled until four days later. You can imagine the consultations that took place in the intervening period.

Finally this formula was agreed upon:

The co-chairmen have agreed to seat the representations from Laos proposed by the individual governments participating in the conference.

The United States proposed the royal Laotian government and, although I do not remember exactly, I believe the Soviet union proposed the government of Prince Souvanna Phouma and I think the Chinese proposed the Pathet Lao. I am not just sure which country did that. In any event, everybody was proposed but the royal Laotian government representatives have not turned up as yet. They refused to sit on the ground that they are the official government, and they would not proceed under the circumstances.

The conference opened on Tuesday last and we heard a statement from Prince Sihanouk the head of state of Cambodia which, as you know, is a neighbour of Laos; Canada, by the way, is a member of the truce commission in that country also. I thought he made a very fine opening speech. The essence of it was that in this conference the delegations should look forward and not backward; that there was not much point in threshing old straw, and we should try to see what could be done in the future to settle the problems.

I spoke on behalf of Canada on the following day. If it is the wish of the house I would be glad to table a copy of that speech or have it printed as an appendix to *Hansard*, and then hon. members could see the attitude the Canadian government took. I cannot do this in so far as the NATO conference is concerned because the proceedings there are secret. In so far as the conference on Laos is concerned, it is possible to hand copies of the statement to the press.

I believe that Canada's position with regard to Laos should be, at all times, to consider problems in the light of her membership on the truce commission. This commission is going to be given great responsibilities for the working out of the Laotian problems. I think we are well advised to keep that in mind, and to talk and negotiate from the standpoint of being a member of that truce commission. This, I think, strengthens our hand a great deal in trying to get our views accepted.

The conference has two main jobs to do, in my judgment. One is to support the international truce commission which is actually in the field. As you know, Mr. Speaker, there are Canadians in Laos at the present time. This conference must see that they get what they require in order to carry out their job; it must meet their requirements from week to week. The other job is to work out a long term settlement. I think that will have to be done on the basis of the Geneva agreements of 1954. We base our position on those agreements, but there will have to be some modification in them.

On Thursday I intervened again to point out the need to provide that commission with airplanes and helicopters. The situation was that as early as May 1 the chairman of the commission, in his first report to the co-chairmen of the Geneva conference, the United Kingdom and the Soviet union, asked for money, airplanes and helicopters. He also reported that he would be economical; that the commission would not waste money. In their reply the co-chairmen made arrangements to provide a little money and they approved of the idea of being economical—the Minister of Finance (Mr. Fleming) approves of that also—but they did not say one word about the airplanes and helicopters.

Therefore on Thursday afternoon I drew this to the attention of the conference and said I could not see any reason why the co-chairmen should not wire at once to the commission and ask for details of their requirements. Mr. Gromyko, the head of the Soviet delegation, did not want to move that quickly. Mind you, we had him in a corner because of the letters that had been exchanged. He simply could not get away from the terms of those letters. However, the final decision was that the British and the Russians would think it over during the night, and a special meeting of the conference was called for yesterday morning at which the conference was to hear their decision. They decided that a wire would go out, and this is the message they sent:

Please inform us whether the commission has any technical requirements to facilitate the exercise of its functions in relation to the cease fire.

That was not exactly what I had asked for the day before. I had asked for recommendations from the commission with regard to the number of inspection teams there should be, and for some other details. However, I thought it best to accept this offer rather than have another long argument about it.

I spoke again yesterday morning, and everybody agreed that this wire should go out. Mind you, these people on the commission have not yet got their airplanes and helicopters, but at least the wire has gone out requesting them to ask in detail for what they require. Mr. Gromyko came over to me after the meeting had adjourned and said, "You know, if you had accepted that letter without making some remarks about it, I would have been very suspicious; would have thought that letter went too far".

That is the way we stand at the moment. I am very hopeful that the commission will be given the tools to do this very difficult job. I think there is a reasonable prospect

for the success of this conference in spite of all the difficulties there have been. I expect to be going back in a matter of three weeks or so.

There is great value in these contacts we make with other countries at these conferences. We have had friendly discussions with the delegation from Cambodia; they are very pleased with the work of the Canadians on the truce commission in their country. The same thing happened with regard to South Viet Nam; that nation is also very pleased with the work our Canadian commissioners have been doing in their country. We have also had very friendly discussions with Thailand, with the delegation from the royal Laotian government, and with the delegation of Prince Souvanna Phouma.

I am convinced that one of Canada's most important roles in world affairs at the present time is to follow the policy of gaining the confidence of all the newer nations. They cannot be bludgeoned into doing what we think should be done, but I think if we are friendly with them and talk with them on a man to man basis quite a bit can be done in the way of getting their support for the policies in which we believe. This has been the experience at the United Nations; most of the new countries support the plans put forward by the western countries there.

I am hoping that out of this Laotian conference will come not only a settlement which will enable this little country to be neutral and enable the Laotian people to develop their country with help from outside, given without any strings, but that in addition the conference will make more friends for Canada and will help us to play an even greater part in world affairs.

I am sorry to have taken so much time, Mr. Speaker, and I will be very glad to appear before the external affairs committee at any time that can be arranged in order that members may cross-examine me with regard to these two conferences.

Mr. Speaker: Before the hon. member for Essex East begins, may I ask the consent of the house to the suggestion made by the Secretary of State for External Affairs that the speech which he proposes to table be printed as an appendix to *Hansard*.

Some hon. Members: Agreed.

Mr. Green: Mr. Speaker, I should also like to include the second statement I made with regard to giving the commission the equipment it requires.

Mr. Speaker: Is it agreed that these documents be printed as an appendix to the official report?

[Mr. Green.]

Some hon. Members: Agreed.

[*Editor's note: For text of documents referred to above, see appendix.*]

Hon. Paul Martin (Essex East): Mr. Speaker, I am sure I speak for all hon. members of the house when I say we are glad to see the Secretary of State for External Affairs back in his seat. We realize that he has made a statement this morning under considerable difficulty, because I understand he arrived home at 2.30 a.m. On that account one would not expect the minister to display the same lucidity of expression which normally attends his statements in this house.

The minister has reported on two conferences, the NATO meeting and the conference dealing with the situation in Laos. The minister has not given us any great detail about the NATO conference. He has expressed the view that Canada is now satisfied with the arrangements for consultation. As this is a very important matter, we will look forward to the opportunity in the external affairs committee of getting further details from the minister, particularly in relation to the position allegedly being taken by one of the major participants in the North Atlantic treaty organization. The attitude of General de Gaulle in this regard will of course be of very great interest to us.

The minister may be assured that we in this party take a strong view along with him and support the government in any steps taken to strengthen the North Atlantic Treaty Organization. We should have welcomed from the minister some indication as to what steps are being taken in that particular. Again in that regard we shall be afforded an opportunity when we confront the minister in the external affairs committee.

While he was away the minister will, no doubt, have noted that very important developments have taken place in Canada. Undoubtedly he has followed from afar the nature and character of the visit of the President of the United States to Canada. It will be of interest to the minister to know that there was some consternation in Canada and in this house as the result of a statement reported to have been made by him concerning Canada's offer to adjudicate the difficulties between United States and one country in the Caribbean. This report prompted an interrogation in this house of the Prime Minister by the Leader of the Opposition. The Prime Minister gave the assurance that Canada, notwithstanding that report, had made no such offer to adjudicate in the difficulties which might be regarded as prevailing between Cuba on the one hand

and the United States on the other. Perhaps the minister, when he appears before the external affairs committee, can tell us about this as well.

With regard to Laos, we have noted what the minister has said. We sincerely hope his optimism is warranted. We agree fully with him that every support must be given to the international supervisory truce commission of which Canada is a member. That commission, working as it does in a difficult terrain and under difficult circumstances, must be afforded every means of security and given every opportunity to carry out an efficient operation.

The minister said nothing about the relationship of the situation in Laos to the companion problem in South Viet Nam which is now engaging the attention of certain countries, particularly the United States.

The hon. gentleman has returned from these two conferences. We have welcomed the general statement he has made. Perhaps we would not expect him to make anything more than a general statement at this time in view of the circumstances of travel and the like. It is possibly regrettable that these statements cannot be more substantial in quality. This is perhaps inherent in the very nature of international negotiations. It would, I am sure, have been of great interest to the Canadian people if they could have been told with more particularity the consequences of the two meetings which the minister attended, first in terms of what is being done to strengthen NATO during a critical stage in its development; and second, that the 14 power conference was going to take strong measures to guarantee that no undue advantage was taken of this little nation in old Indo-China and that there would not be any development which would vitally affect the integrity of Viet Nam and its 22 million people.

The minister may be assured that once he has been afforded the opportunity for rest, and the kind of contemplation that comes with rest, he will find the opposition in its treatment of him generous but possibly even more searching than its spokesman is at the moment.

Mr. H. W. Herridge (Kootenay West): My comments will be brief, for two reasons. First, I do not think this is a proper time at which to comment at length and, second, one would need to study such a statement as has been made by the minister for external affairs before being able to comment on it lucidly and at length.

The hon. member for Essex East showed some concern for the minister's weariness. Let me say to the hon. member that I think his concern is unnecessary. I marched behind the minister on the cobblestones of France for a good many months, and we used to wish he would tire out sooner. We were distinctly under the impression he was tireless. I am sure we all welcome him home and am glad to see him looking in such good health. I tell him this; that every one of us, when we met in the restaurant, sent for the papers and these were perused immediately. We looked them up to see what he had said today, and then we looked them up again tomorrow to see if what he said yesterday had been correctly reported. We followed all the reports with interest because we were concerned with the serious business he was undertaking on behalf of this country.

I was particularly interested in the report of the NATO meeting in Oslo, and I was glad to note the minister's reference to the friendly relations we have with the northern peoples. They are a stable and strongly democratic race. We are proud to be closely associated with them on friendly terms. I was interested to hear about the discussions on disarmament and the economic problems facing certain members of the NATO organization. I was particularly pleased to hear the minister say today he was hopeful that discussions would commence within the next month or so between the United States and the Soviet union on the subject of disarmament. I am sure we are all looking forward to the commencement of those discussions.

With reference to the minister's remarks on the situation in the Congo and the situation in Laos, it was a pleasure to hear of Canada's continued peace-promoting activities in these very important fields. I was interested to hear the minister mention the necessity for closer co-operation between NATO and the United Nations. I understood him to say, at least by inference, that possibly there should be more co-operation between the two organizations. We in this group look forward to the time when NATO will be merged into the United Nations and all our defence activities will be within the framework of the United Nations through an international police force.

We noted in the papers some reference to the minister's concern with respect to the attitude of Portugal toward colonialism. I do not know whether the reports were accurate or not. We must not forget that Portugal, although a member of NATO, is at present in defiance of a United Nations resolution. We trust this close association with NATO will have an effect in connection with these issues which are arising at the present time.

With regard to Laos, I was very pleased to hear the minister say that Canada should negotiate as a member of the commission,

and in that spirit. We agree with that position entirely. Canada's record in this capacity in former occasions is good, and I am sure it will be maintained in the future.

In conclusion let me say that the minister's attitude, his approach and his general stability and character represent, I think, very much the spirit and the purpose of all Canadians in their approach to the difficult international situation we face.

COMBINES INVESTIGATION ACT AND CRIMINAL CODE

EXTENSION OF MORATORIUM RESPECTING B.C. FISHING INDUSTRY

Hon. E. D. Fulton (Minister of Justice) moved for leave to introduce Bill No. C-97, to amend an act to amend the Combines Investigation Act and the Criminal Code.

Some hon. Members: Explain.

Mr. Fulton: Mr. Speaker, the purpose of this bill is to provide an extension of one more year to the moratorium, which was provided first in 1959, to those engaged in the fishing industry on the coast of British Columbia, with respect to possible consequences of their actions by virtue of the Combines Investigation Act.

Motion agreed to and the bill read the first time.

[*Later:*]

On the orders of the day:

Mr. E. J. Broome (Vancouver South): Mr. Speaker, I wish to ask a very short question of the Minister of Justice in regard to the legislation on the order paper. I would ask the minister whether he can assure the house that, if it is necessary to extend the bill for another year, the bill at that time will not be called an act to amend an act to amend an act to amend the Combines Investigation Act.

Hon. E. D. Fulton (Minister of Justice): Mr. Speaker, I hope the hon. member's question will be taken care of by a conclusion of the proceedings which have so far made it necessary to extend this provision.

CANADA SHIPPING ACT

Hon. Leon Balcer (Minister of Transport) moved for leave to introduce Bill No. C-98, to amend the Canada Shipping Act.

Some hon. Members: Explain.

Mr. Balcer: Mr. Speaker, the purpose of this bill is to bring forward some minor adjustments and minor tightening up by amendments of a diversified nature.

Mr. Chevrier: Mr. Speaker, may I ask the minister whether this has anything to do with the amendments regarding the commonwealth shipping agreement that he referred to earlier?

Mr. Balcer: No, Mr. Speaker.

Motion agreed to and bill read the first time.

HOUSE OF COMMONS

ORDER OF BUSINESS UNDER PUBLIC BILLS AND ORDERS

Mr. J. F. Browne (Vancouver-Kingsway): Mr. Speaker, I rise on a point of order in connection with today's order paper, and the order of business under the heading of public bills and orders.

Item No. 1 shown there is second reading of Bill No. C-30, an act to amend the Industrial Relations and Disputes Investigation Act. That bill was called for second reading last evening during private member's hour, and I believe it should have gone to the bottom of the order paper. In support of this contention I should like to quote Beauchesne's fourth edition, citation No. 380, which reads as follows:

> 380. When the bill comes up for a second reading in its proper course, one of the clerks at the table will read the order aloud, and the member in charge of the measure will then move its second reading.

I should also like to read from Beauchesne's fourth edition, citation No. 385, which reads as follows:

> 385. If, when the order of the day is read at the table, no motion be made for the second reading or other stage of a bill, or for its postponement, it becomes a dropped order,—

The hon. member for Skeena (Mr. Howard) had the opportunity of moving second reading of the bill at that time, but he chose instead to raise a point of order which was entirely unrelated to the bill. I believe that he therefore made the decision to proceed with another course rather than moving second reading of his bill. For that reason I believe it should have dropped to the bottom of the order paper.

The hon. member suggested, on the point of order which he raised, that the rights of private members were involved. I suggest they are very substantially involved, because the placing of this bill at the head of the order paper prevents other hon. members' bills from coming on; and, as the session might well end, this may mean the difference between one hon. member's bill coming on for discussion and not coming on for discussion.

For that very important reason I believe that Your Honour should make a decision in this regard.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I also intended to raise this matter, and should like to add a few points which were not raised by the hon. member who has just spoken.

Last evening, just before six o'clock, Bill No. C-30 was read at the table by the clerk assistant, and is so recorded in *Votes and Proceedings* of the House of Commons for yesterday at page 565, and also in *Hansard* for yesterday at page 5083. The sponsor of the bill chose not to proceed with it. It was read, and when he was not allowed to call it six o'clock, he then dealt with a point of order, which I assume it was his right to do.

I should like to present some further references. First, standing order 19 (1) of the House of Commons reads as follows:

19. (1) Questions put by members and notices of motions, not taken up when called may (upon the request of the government) be allowed to stand and retain their precedence; otherwise they will disappear from the order paper.

In this particular instance the motion was called and read, but not taken up. I should also like to refer to Beauchesne's fourth edition, citation 87 (1) which in part reads as follows:

87. (1) When an order of the day has been read, it must thereupon be proceeded with, appointed for a future day, or discharged.

The hon. member chose not to proceed with it, and it was not appointed for a future day. Therefore, I feel it must be considered to have been discharged.

I should also like to read subsection (4) of that same citation, 87, which reads in part as follows:

87. (4) It is one of the fundamental principles of parliamentary procedure that when nothing is done respecting an order of business it is struck out and cannot make further progress until the procedure regulating its passage has been regulated by the house.

Mr. Speaker, I am prepared to admit that the hon. member for Skeena found himself in a difficult position, with five minutes to go until the end of the hour for private members' bills. But I submit that this situation has arisen in the past with regard to private members' bills and will arise again in the future. The hon. member was in that position by reason of the proceedings in the house during the private members' hour. Nevertheless there was still considerable time before six o'clock for the hon. member to have moved second reading, as an examination of *Hansard* will show.

I believe he was placed in a position where he either had to proceed with the order, after it had been read, or to allow it to be dropped. The hon. member raised a point of order in an effort to avoid having to speak on the bill, or to propose it, and I should like to quote his own words as they appear in *Hansard* of April 19, 1961 at page 5083. He is reported there, after the order was called, as follows:

Mr. Speaker, before the order is proceeded with I wonder whether it might be considered to be six o'clock?

The order had definitely been called and the hon. member, in the difficult position he found himself, tried to talk it out until six o'clock. I feel, nevertheless that the order was called and he chose not to proceed with it when he had the opportunity, and it should not appear as No. 1 under public bills on today's order paper.

Mr. Speaker: Does the hon. member for Skeena wish to add anything to the advice I have received on this matter?

Mr. Frank Howard (Skeena): Yes, Mr. Speaker. I do not care now, or at any other time, to become involved in the misrepresentations which have been given to my actions by the hon. member for Parry Sound-Muskoka. I should simply like to point out that there are two incorrect things involved in the raising of this point of order. The first is that this is not the time to deal with it, as Your Honour has ruled on a number of previous occasions; points of order should be raised when that particular stage of procedure is reached which is involved, which I suggest would possibly be next Tuesday, when this matter will come up again.

Second, apart from the first point I have made, I suggest that *Votes and Proceedings* correctly sets out what happened. The order was read by the clerk at the table and I proposed, before the motion was put by the chair—which it was not—that it might be called six o'clock. There was some objection, and I then rose on a point of order. I proceeded on that matter, but before I had the opportunity to complete my remarks it was called six o'clock. I suggest, therefore, that the order is now in its proper place on the order paper. I am quite prepared, when the order comes up again, to continue speaking on that point of order. The motion was not put by the Chair, and the stage when it should have been put had not been reached.

Mr. Speaker: I am not sure whether this point arises now that the order paper has been settled, or whether it arises when the alleged error in the order paper becomes relevant by reason of the house having reached that point in the order paper, but I would think the latter would be the appropriate time. In any event, I shall take what has been said under consideration and be prepared to

determine the issue when it arises. I express my appreciation of the assistance which I have received from hon. members in calling this matter to the attention of the Chair. The question appears to be whether, the order having been called from the table and not placed before the house by the Chair, and a point of order having intervened until the hour of sitting expired, the matter was really before the house. If it was, I assume the rules cited would take effect. If not, then perhaps the order is in its right place.

NATIONAL DEFENCE

INQUIRY AS TO DECENTRALIZATION OF INDUSTRIES

On the orders of the day:

Hon. Lionel Chevrier (Laurier): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of the statement made by the Minister of Defence Production at Atholville, New Brunswick yesterday and reported in this morning's *Gazette*, to the effect that "probably two bombs and our defence industry would be lost", may I ask the Prime Minister whether the government has any actual plans to decentralize defence industries in Canada and locate them in areas of high unemployment?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I do not think this is a question for the orders of the day. I will take the question as notice, and if the minister made the statement alleged to have been made by him, I will give an answer at the beginning of the week.

UNITED NATIONS

ANGOLA—ESTABLISHMENT OF COMMITTEE OF INQUIRY

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. Can the minister say whether at the NATO meeting there was any discussion of the genocidal measures being perpetuated in Angola by Portugal. Can the minister give any information to the house as to what progress is being made in setting up the United Nations five nation commission to inquire into this situation?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, this subject, of course, came up in the discussion of the whole question of colonialism. I think the members of that United Nations committee have been named, but I cannot remember which countries are involved.

[Mr. Speaker.]

Mr. Argue: The minister might have something to add to the statement he has made about the actual situation in Angola and Canada's attitude toward it.

Mr. Green: Mr. Speaker, Canada supported the motion which was adopted by the United Nations just a few weeks ago. It is our belief that that step was a proper one to take. I have not up to the minute reports on what is happening in Angola. We have no representation in that part of Africa; therefore our reports of necessity are indirect.

[*Later:*]

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prime Minister): I should like to reply, Mr. Speaker, to another question the hon. member for Assiniboia asked me a few days ago concerning Angola, namely whether Canada had been approached to act on this committee. My understanding is that the president of the general assembly invited five nations to participate in this committee, and that he is awaiting replies from the governments concerned as to their acceptance. An announcement as to the membership of the committee, if not already made, will be made in a day or so. Canada was not approached to act on that committee.

RED CHINA—INQUIRY AS TO DISCUSSION OF RECOGNITION

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Yesterday in reporting to the house the Prime Minister said that the President of the United States and he had discussed the question of Chinese representation at the United Nations. I wonder if the Prime Minister could inform the house whether or not he and the President discussed the broader question of the recognition of China.

Right Hon. J. G. Diefenbaker (Prime Minister): The question of recognition is a matter that is under continual study and discussion.

COAL

CAPE BRETON—REPORTED ASSURANCE OF FEDERAL ASSISTANCE

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I should like to put a question to the Minister of Labour. Did he recently give an assurance to a delegation from Cape Breton that if Dosco would keep the coal mines open the government would pay the bill?

Hon. Michael Starr (Minister of Labour): Mr. Speaker, up until now we have been paying subventions on the coal sold in that area by the mines, and my statement related to those subventions.

Mr. Pickersgill: Will the minister comment on a statement which appears in the Halifax *Chronicle-Herald* to the effect that labour minister Starr said:

> The big problem is to convince the company to keep the mines open. We will pay the bill.

Mr. Starr: Mr. Speaker, the keeping of the mines open is, of course, a decision of management. We would like to see the mines kept open if possible. We have paid subvention bills and are prepared to continue to pay them if they keep those mines open.

Mr. Pickersgill: May I ask a further supplementary question. Does the minister mean that the government is prepared to pay the cost of keeping the mines open?

Mr. Speaker: Order. I question the propriety of the course the hon. member is following in cross-examining, in effect, on an alleged statement in a newspaper. The hon. member for Kenora-Rainy River.

THE BUDGET

REQUEST FOR PRESENTATION OF SECOND BABY BUDGET

On the orders of the day:

Mr. W. M. Benidickson (Kenora-Rainy River): I should like to address a question to the Minister of Finance. In view of the current political exigencies which are obviously interfering with the normal course of the matter, would the minister consider the presentation of another so-called baby budget this month in advance of the regular budget?

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, in commenting on this matter I am glad to welcome the hon. member back to the chamber. He evidently is not aware of the fact that in his absence the hon. member for Essex East has appropriated this matter as one of his personal preserves, and he in turn took it away from the Leader of the Opposition, who had it before that. All I can say about these hon. gentlemen and their itchiness over this issue is *"honi soit qui mal y pense"*.

Mr. Benidickson: May I ask a supplementary question. Are we to take it that the policy of the minister is an adamant one, namely "Vote now and pay later"?

Mr. Fleming (Eglinton): Mr. Speaker, the policy the minister follows and advocates is "Vote Conservative and save your country."

Hon. Paul Martin (Essex East): May I ask a supplementary question based upon the reply of the minister. Would it be correct to say that the minister does not propose to bring in his budget until after the by-elections because he does not want to interfere—

Some hon. Members: Order.

Mr. Speaker: Order. The hon. member is repeating a question he asked the other day, apparently for the purpose of—

Mr. Martin (Essex East): No.

Mr. Speaker: —argument, and I suggest—

Mr. Martin (Essex East): My question was not the question I put before.

Mr. Speaker: In any event, I heard the question sufficiently to know that it was not properly introduced at this time.

CANADA COUNCIL

INQUIRY AS TO FILLING OF VACANCIES

On the orders of the day:

Mr. W. G. Beech (York South): Mr. Speaker, I should like to direct a question to the Prime Minister. Is the Prime Minister in a position to tell the house whether any steps have been taken to fill the vacancies on the Canada Council?

Right Hon. J. G. Diefenbaker (Prime Minister): When the hon. gentleman advised me that he was going to ask this question, after I came into the house, I sent out for the press release which was issued the day before yesterday. There were six vacancies on the Canada Council, five of which have been filled. Those named are: Lady Dunn, St. Andrews, New Brunswick; Mrs. Ginette P. Trepanier, Quebec; Monsignor Basil Kushnir, D.D., Winnipeg; Rabbi David Monson, Toronto; Douglas Black Weldon, M.C., London, Ontario. We are awaiting word from an outstanding industrialist in the province of Quebec, one who has been greatly interested in the arts, as to whether he will accept appointment to fill the other vacancy.

EXTERNAL AFFAIRS

OTTAWA—EXPROPRIATION OF PRIVATE PROPERTIES FOR EMBASSY

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. Will the minister inform the house whether the government has received representations from the ambassador of any government with respect to his country's desire to obtain a site for the building

of a chancellery that will require the expropriation of private properties on Sussex drive or adjacent thereto?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, no such information has come to my attention. From time to time informal discussions are held about things of this kind, but I have not heard of any suggestions that property should be expropriated.

UNEMPLOYMENT INSURANCE

INQUIRY AS TO REPLENISHMENT OF FUND

On the orders of the day:

Mr. W. H. McMillan (Welland): I should like to direct a question to the Minister of Labour. Now that the net amount in the unemployment insurance fund has reached a very dangerous level, according to the advisory committee of the unemployment insurance commission, when is it the intention of the government to bring in measures to replenish the fund?

Hon. Michael Starr (Minister of Labour): Just as soon as they are prepared they will be introduced in the house.

Mr. Martin (Essex East): After May 29.

USE OF CHEQUE FORMS PRINTED IN UNITED STATES

On the orders of the day:

Hon. Michael Starr (Minister of Labour): Mr. Speaker, yesterday, May 19, the hon. member for Outremont-St. Jean asked a question and the reply is as follows. For some years there has been an active program of mechanization, particularly in the prairie region, of the unemployment insurance commission. The object has been to reduce the time required for processing of claims and to eliminate duplication. In the prairie region at the present time benefit warrants are printed and tabulated by mechanical process. These machines are manufactured and installed only by Remington Rand of the United States. The particular punch cards required for these machines are also provided by Remington Rand and therefore bear the notation that they are manufactured and printed for Remington Rand in the United States. This is the explanation why these warrants are printed in the United States.

SPORTS

REQUEST FOR PROCLAMATION OF LITTLE LEAGUE BASEBALL WEEK

On the orders of the day:

Mr. W. A. McLennan (New Westminster): I should like to address a question to the Prime Minister. In view of the splendid work many of our citizens are doing in sponsoring little league baseball, which assists in combating juvenile delinquency and helps to mould the boys of today into the solid citizens of tomorrow, would the Prime Minister give consideration to proclaiming a national little league baseball week?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, with the observation as to the worth-while nature of the activities of those associated with little league baseball I am in full accord. Indeed, whenever I have the opportunity of going home to Prince Albert I am an inveterate attender of these games. The question of whether a national week should be set aside is one respecting which there are a number of important considerations. Quite a large number of organizations have asked from time to time to have days or weeks designated in this way. While I am not too hopeful as to the outcome, I will have the matter looked into.

INQUIRY AS TO ESTABLISHMENT OF SPORTS COUNCIL

On the orders of the day:

Mr. Hubert Badanai (Fort William): Mr. Speaker, I should like to ask the Prime Minister whether he is giving consideration to the establishment of a Canada sports council in connection with the sporting activities of our nation.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the speech from the throne indicated that certain legislation regarding sports would be brought before the house. There has been no change in the viewpoint of the government in this regard, and when the legislation is introduced the hon. member will have an answer to his question. I do not want to be abrupt with the hon. member but this is a matter that will naturally come up for the fullest consideration when the legislation is before the house.

(Translation):

BRIDGES

CHAMPLAIN BRIDGE, MONTREAL—REQUEST FOR CORRESPONDENCE RESPECTING APPROACHES

On the orders of the day:

Mr. Gerard Loiselle (St. Ann): Mr. Speaker, I should like to put a question to the Minister of Transport. Since the Department of Transport's estimates are now before the house, would the minister table immediately a copy of the agreement entered into between the city of Montreal and the national harbours board with regard to the Champlain bridge approaches, the Point St. Charles dump and the causeway leading to St. Helen island?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, this agreement was signed yesterday and was announced in this morning's papers. As far as I am concerned, I have no objection to tabling this document as soon as possible.

Mr. Loiselle: A supplementary question. By "as soon as possible", does the minister mean today or in a few days?

Mr. Balcer: I understand this agreement has just been signed in Montreal, and as soon as it reaches me, I shall be pleased to table it.

(Text):

BUSINESS OF THE HOUSE

INQUIRY AS TO FREE VOTE BY MEMBERS

On the orders of the day:

Mr. J. P. Deschatelets (Maisonneuve-Rosemont): Mr. Speaker, I should like to address a question to the Prime Minister. Is it the intention of the government to allow a free vote—

Mr. Speaker: Order. The hon. member is offending the privileges of the house under which hon. members are free to vote as they see fit. To suggest that any member would be subject to direction would, I think, be out of order.

OPPORTUNITY TO PREPARE FOR DISCUSSION OF LEGISLATION

On the orders of the day:

Hon. Lionel Chevrier (Laurier): I should like to direct a question to the house leader. Is he aware that last night he proposed for consideration on Monday legislation that was placed on the order paper only this morning, and does he believe that the best way to facilitate the business of the house and its proper scrutiny of legislation is by not giving members of parliament sufficient time to prepare themselves for these debates?

Mr. Speaker: Order. The hon. member seems to be mounting an argument about the conduct of the business of the house.

Mr. Chevrier: Mr. Speaker, I rise on a point of order. The business for Monday announced last night included matters that were not even on the order paper last night. Some have appeared on the order paper today; others will not be on the order paper until Monday. Therefore I think it is proper for me to ask a question concerning the business of the house, and to inquire through the house leader whether the government thinks this is the proper way to provide members of parliament with an opportunity to scrutinize, study and consider this legislation when there is only one day to consider it, that day being Sunday.

Mr. Speaker: I objected to the question, and I still think it is not proper, because it is really a leading question for the purpose of argument and to express an opinion as to the conduct of the business of the house. If the hon. member wishes to ask a question about the propriety within our rules of the course followed, or a factual question about the business of the house, he is quite within his rights; but I do not think it is appropriate at this time to debate the course that is being followed, which is the import of the question.

Mr. Chevrier: Mr. Speaker, I should like to continue the point of privilege, and bring this matter to the attention of the house. I think I am within my rights under the rules to do so. The question of what the business will be for Monday, as announced by the house leader last night, is quite clear. One of the things that will be discussed on Monday is an act to amend the Canada Shipping Act. I am prepared to discuss that act on Monday. There are some of us who would like to give this subject consideration before it is introduced in the house.

What will take place on Monday is this. There will be a meeting of the committee on railways, canals and telegraph lines from 9.30 until 11 o'clock, to consider the Freight Rates Reduction Act. At 11 o'clock I presume it will be the responsibility of the Minister of Transport to be in the house. I am sure that in the one and a half hours available it will not be possible to dispose of the Freight Rates Reduction Act. It seems to me, therefore, that because of the manner in which the business has been arranged by the house leader, and the business that is going to take place elsewhere on Monday, it will not be possible to give this important legislation—I take it that it is important, at least until I have seen it—the consideration it deserves. If the Freight Rates Reduction Act is under consideration in the committee while the house is sitting, then the minister and those of us who would like to be in the committee cannot be in both places at the same time.

The question which I put to the minister, therefore, is this. Does he think that situation is conducive to the orderly consideration of business here?

Mr. Speaker: Order; that was the question to which I objected. The hon. member is in a position to ask the house leader if, in view of the difficulties he has pointed out, a change could be made in the order of business, but not to ask that question.

Mr. Chevrier: In view of the difficulties which I have brought to the attention of the minister, does he not think it would be far more conducive to the orderly conduct of business if we were to take up the consideration of veterans legislation on Monday?

Hon. Gordon Churchill (Minister of Veterans Affairs): This interjection by the hon. member for Laurier, and his accusation that something is improperly on the order paper, you have already exposed, Mr. Speaker. May I underline the matter. Everything that was announced as business for Monday has followed the procedure laid down by the rules, and proper notice has been given. The order paper right now contains every item that has been set for Monday with the sole exception of the resolution dealing with the Judges Act, which appears on *Votes and Proceedings* giving the proper 48 hours' notice.

The hon. member for Laurier is trying to insinuate or is insinuating that something is being incorrectly done. This insinuation is quite improper on his part. The question that he raises as to whether or not a committee can handle some business it has outlined for Monday is not a responsibility that rests on my shoulders. The committee is responsible for its own order of business.

Then his final suggestion about dealing with war veterans allowance legislation is, of course, quite out of order. This item will be brought forward at the appropriate time. Hon. members on the other side of the house and the hon. member for Bonavista-Twillingate apparently did not want that subject debated at any great length. He said it was of no importance, and that is reported in *Hansard*.

Mr. Pickersgill: I rise on a question of privilege, Mr. Speaker. The statement the minister has made is totally false, and he knows it.

Mr. Speaker: Order. The hon. member for Bonavista-Twillingate has, I think, gone further than he would intend to go by saying that the minister knowingly made a false statement to the house. I would ask him to modify that statement, because it is not in accordance with our practice.

Mr. Pickersgill: I will say, sir, that the other day—

Mr. Fleming (Eglinton): Withdraw.

Mr. Pickersgill: I do not intend to have my course dictated by the Minister of Finance. I only recognize one Speaker in the house, notwithstanding the efforts made by the Minister of Finance, to usurp that position.

I say, sir, an effort was made by the Minister of Veterans Affairs the other evening to misrepresent a statement I had made about another bill, namely the bill concerning the directors of the Canadian National Railways, as though it referred to the war veterans allowance bill. I corrected the statement at that time, and if the minister read *Hansard* he knew that what he was saying was wrong. I presume that he did not bother to read *Hansard*, and I withdraw any suggestion that he made this statement deliberately.

Mr. Churchill: In order that there may be no misunderstanding, I have read *Hansard*.

Mr. Speaker: Order. I think we should not debate what happened the other day. The hon. member has withdrawn the accusation that there was any deliberate misstatement. This is not the appropriate time to revive a debate.

Mr. Chevrier: There was a statement made by the house leader which was totally inaccurate.

Mr. Speaker: Order. The question before the house was a discussion of the business of the house. There was a suggestion by the hon. member for Laurier that the business of the house might be rearranged. I take it that has not been accepted. It is not appropriate to debate the settlement of questions concerning the business of the house.

Mr. Chevrier: I am not going to debate it, but I did want to raise a question of privilege because it has been said here that proper notice has been given for this legislation, and that is not correct.

Mr. Speaker: This would be a point of order, and if the hon. member wishes to raise a point of order I shall be glad to hear him.

Mr. Chevrier: I raise a point of order, sir. In so far as the Judges Act is concerned proper notice has not been given because, according to the minister's statement last night, we are to discuss the Judges Act on Monday. The Judges Act is not yet on the order paper, and it is not on *Votes and Proceedings*. It cannot, therefore, be put on the order paper until Monday; hence it cannot be discussed on Monday.

Mr. Speaker: If that is the case, then of course the matter cannot be dealt with on Monday.

Hon. E. D. Fulton (Minister of Justice): Let me clear up this point at once. What was said was that the resolution preceding the Judges Act would be proceeded with on Monday. The resolution is on *Votes and Proceedings* of yesterday, and therefore can be proceeded with on Monday. I am sorry

that the hon. member did not read *Votes and Proceedings* thoroughly before he raised this ill-considered point.

Mr. Pickersgill: The minister surely knows that when the resolution comes up on Monday, all we can do is have it advanced from one category to another on the order paper. It cannot be debated earlier than Tuesday under our rules.

HOUSING

N.H.A.—STATEMENT ON STARTS AND COMPLETIONS

On the orders of the day:

Hon. D. J. Walker (Minister of Public Works): Mr. Speaker, in reply to the question of the hon. member for Nipissing on May 17, may I say that completions of houses in centres of 5,000 population and over, keeping in mind that completions follow six months after starts, in the period January 1, 1960, to the end of April, 1960, numbered 29,100 dwelling units and in the period from January 1, 1961, to April 30, 1961, 21,727 dwelling units. Completions in other areas are available only for the first quarter, that is to the end of March. For 1960 the figure was 7,024 dwelling units and for 1961 it is 6,244 dwelling units.

A second question was asked by the hon. member for Trinity as to the number of unsold completed houses. At the end of April, 1961, the number of unoccupied houses and duplexes was 4,442. Last year at the same time the number was 3,768.

LABOUR CONDITIONS

MOOSONEE, ONT.—THREATENED STRIKE ACTION BY CARPENTERS

On the orders of the day:

Hon. Michael Starr (Minister of Labour): Mr. Speaker, the hon. member for Fort William posed a question to me on May 18 with respect to the situation as to carpenters at Moosonee, and the provincial conciliation board report. I wish to advise him that the officials of my department are checking the implications of this report with the Ontario department of labour and with the officials of Defence Construction Limited. When they have reported to me I will be only too glad to supply further information to the hon. member.

CITIZENSHIP AND IMMIGRATION

CITIZENSHIP DAY—INQUIRY AS TO GOVERNMENT SPONSORSHIP

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): I should like to put a question to the parliamentary secretary to the Minister of Citizenship and Immigration. I should like to ask whether the department is still sponsoring the observance of citizenship day, and if so whether the department was satisfied with the response to their effort yesterday.

Mr. John Charlton (Parliamentary Secretary to the Minister of Citizenship and Immigration): The answer to the first question is yes, and both the minister and I attended functions of that sort.

SUPPLY

The house in committee of supply, Mr. Chown in the chair.

DEPARTMENT OF TRANSPORT

402. Departmental administration, $3,395,700.

Mr. Pickersgill: Mr. Chairman, I have been looking at yesterday's *Hansard* with regard to a matter in which my hon. friend from Laurier—I am wondering, sir, whether I have the floor or whether somebody else has it.

I was saying, sir, that I had been looking at *Hansard* for yesterday with respect to a matter about which there was some difference between the hon. member for Laurier and myself on the one hand and the hon. member for Greenwood on the other. It is really only a historical point which should not take up much time of the committee. The question is with respect to the time at which a decision was made to turn the Canadian Northern Railway into a transcontinental railway, the initiative in that regard, and the decision with regard to the building of the National Transcontinental and the Grand Trunk Pacific, which was of course actively sponsored by the Laurier government from 1903 onward.

The best information I was able to get hastily about it—and I did not spend a great deal of time in research—was that while the Canadian Northern Railway was started in 1898 or 1899 in Manitoba, and while some time early in the century the Canadian Northern Railway also acquired some existing eastern lines and began to build some more, the project for connecting the eastern and western parts of the system and for building the Canadian Northern to the Pacific was and remained a purely private venture, a matter of private enterprise if one can call it that. We know that all the railways, including the C.P.R., were assisted by various grants of one kind or another, but they were not in any sense public enterprises in that they were directly sponsored by the government.

The Canadian Northern continued all through this period to be a private railway being built entirely privately. Whether the Laurier government gave them encouragement

to go ahead, or whether they did not encourage them, I think, is a matter that will be debated for a long time to come and we certainly will not settle it in the committee this morning.

However, with regard to this project as a transcontinental project, the Canadian Northern was very much the third one and came quite a long time after the National Transcontinental was inaugurated as a transcontinental system. Indeed, an effort was made at one time by the Laurier government to get the Canadian Northern and the Grand Trunk Railway to come to some kind of agreement so there would only be one line built in addition to the Canadian Pacific Railway.

Looking back now we can all be wise with hindsight and can see that it would have been a lot better if that had happened, because a great deal of the Canadian Northern had to be torn up after it was built. As a matter of fact I think some of the section between Edmonton and Edson was torn up before a train ever ran over it because the steel was needed for war purposes in the first world war.

I have read the remarks of my hon. friend from Laurier very carefully and I do not think he insinuated—I am sure he did not mean to insinuate—that the Borden government was responsible for this situation at all. What he said was that they found that a situation had grown up in Canada where there were three transcontinental railways and there was not really enough business for them. There never has been enough business for them, because in fact one of them was interrupted and never did become a transcontinental system.

That is all the hon. member for Laurier was seeking to say, and I do not think he was seeking to impute any blame to anybody. Certainly in any remarks I made I was not seeking to impute any blame. The only reason for bringing this matter to the attention of the committee is to emphasize the important point made by my hon. friend from Laurier, about which I think every Canadian should be really concerned at the present time; that is, that we should not let the same kind of situation grow up with the air lines.

That is what we are concerned about. We see even today that Mr. MacPherson in his report is having to suggest that very considerable sums of money be paid out of the treasury to keep the railways going during a period of transition because the users are not able to pay for the service that it is still considered necessary to have in the national interest.

This will no doubt be true with air lines as it is with railways. In some areas we may want air lines which will not pay for themselves, but it may be sufficiently in the national interest to have them. However, I say we should ask ourselves very carefully whether we wish to allow a situation to arise where we have two competing national air lines, neither of which can pay for itself, and where the taxpayer is going to have to foot the bill as he has done over the years for the railways. That is the point we are trying to make on this side of the house, and that was the point my hon. friend from Laurier and the late C. D. Howe were so greatly concerned about when we were in office.

We are suggesting that the government should be equally concerned about this important national interest and about the protection of the national treasury. That is the real point. I just wanted to try to clear up the misunderstanding and indicate that these things were not introduced for any purpose other than as an analogy to try to underline and emphasize how important it is.

There is no doubt whatever—Trans-Canada Air Lines have shown this over the years—that one transcontinental air line can pay, and pay very well, to the treasury; but since the introduction of the competing service we have seen what has happened. My hon. friend from Laurier warned us about it before it started. He has drawn it to our attention ever since, and we have seen what has happened. I do not take any position as between Trans-Canada Air Lines and the C.P.A. I think they are both excellent organizations. They are both very well operated in every way. I would say they are the two best air lines on the whole continent as far as their operations are concerned, as far as their safety is concerned, and as far as all those things that go to make a good air line are concerned. I do not wish to make any comparisons between them at all. However, I do say it is our primary job in committee of supply to protect the treasury of Canada, and we should not allow a situation to arise with respect to air lines which, far from protecting the treasury of Canada, is going to make it impossible for either air line to pay and is going to force the taxpayers to subsidize the services or have some of the services scrapped. That is the point.

I hope my hon. friend from Laurier will agree that I am stating the position accurately. He knows so much more about this matter than I do, and I hope he will agree that I am accurately stating the position he took yesterday.

Mr. Macdonnell: That is not exactly what was said.

Mr. Pickersgill: If the hon. member wishes to make a point at this time I shall be very happy to sit down and let him make it.

Mr. Macdonnell: Mr. Chairman, I have only a few words to say on this matter. I have no desire to enter into a controversy. As a matter of fact I accept almost every word the hon. member has said about the back history of the railways. There are one or two points with which I might deal, but I do not think it is necessary for me to take up much time of the committee. I wish to explain why I suddenly found myself on my feet yesterday, almost without knowing it. I am reading now from page 5067 of *Hansard* in the midst of a speech by the hon. member for Laurier. He said:

> I am rising chiefly to point out that under the former administration we were determined to prevent from arising a situation such as that which arose under the Borden government with railways when too many transcontinental lines were built and none of them could pay.

Maybe I took it too seriously, but I felt this was leaving the impression that the orgy of railway building which the hon. member for Bonavista-Twillingate has described was undertaken under the Borden regime. Borden came into power in 1911. The orgy of railway building in this country was, I think it can be said, in the first decade of the century. It is perfectly true that if we are talking about the setting up of the national railways, that did not come until after the first war. I do not dispute that the hon. member for Bonavista-Twillingate was accurate in his statement. My only concern is with the name of a man for whom I have great respect, and I should not like the implication to remain that he alone was responsible for an error of judgment in proceeding too enthusiastically in the building of railways in the first decade of the century.

Mr. Chevrier: If I might be allowed to interrupt the speech just started by the hon. member for Bonavista-Twillingate, I should like to say to the hon. member for Greenwood that a careful reading of what was said points not to the fact that the situation about which he complains arose under the Borden government, but that the problem arose under that government, and I should hate to see the same kind of problem arise with reference to air lines. That is all I had in mind in my statement.

Mr. Small: I raised the same point yesterday. I do not know whether the hon. member for Greenwood was in the house when I did so. I too listened to the remarks of the hon. member for Laurier and I was left with the same impression as the hon. member for Greenwood. I knew the hon. member for Laurier was not right in saying that this difficulty was an emanation of the Borden government. It was a carryover from the Laurier regime, though in the circumstances I do not criticize that administration for what was done.

Mr. Macdonnell: I must add one word here, because I do not like to see the reputations of people who played a great part in the building of these railways discredited without good cause. May I say that I think Sir William Mackenzie and Sir Donald Mann had ambitions greater than mere money making. They could have sold out and made a lot of money, but they had ambitions above that and I should like to pay my tribute to them.

Mr. Pickersgill: I lived in Manitoba from 1911 to 1914. I know there are many parts of Manitoba which would not have been opened up but for the work done by Sir William Mackenzie, Sir Donald Mann and Mr. D. B. Hanna, who really built the railroad. I must take slight exception to one of the statements made by the hon. member for Greenwood when he said that the orgy of railway building—and I myself would not have used that word—took place in the first decade of this century. The building continued until 1914 or 1915 and I think perhaps if the Borden government could have prevented the Canadian Northern Railway from going on to build a third line through northern Ontario some of those difficulties could have been overcome. However, that part of their line was built after the Borden government came into office and not before.

I do not believe anybody foresaw those things, but having that precedent we can foresee what might happen in the air line field and we shall be culpable in the eyes of posterity if we allow the same situation to arise with respect to air lines. That is my whole point.

Having made that point I wish to return to what I was saying with regard to an interjection made by the Minister of Transport—and perhaps if the debate going on alongside the Minister of Transport could cease the hon. gentleman would be able to hear what I am saying—

An hon. Member: I do not think he is missing much.

Mr. Balcer: I shall not miss a word, I promise you.

Mr. Pickersgill: Well, I shall not pursue that point. I was drawing attention, and because this is of such vast importance to

my constituency and to people in every fishing riding on the Atlantic coast I drew attention three times, and I am going to repeat the words used by the minister about small boats—

Mr. Woolliams: Before the hon. member goes on I wonder if he would answer a question about transportation.

Mr. Pickersgill: Does the hon. member not regard boats as transportation?

Mr. Woolliams: Yes, but I was wondering whether the hon. member believes we should have a monopoly of air service in Canada now and in the future.

Mr. Pickersgill: I can answer that question very easily. We have never had a monopoly. An intelligent decision was made by the Mackenzie King government at the end of the war, in the year 1944, which was carried on—

Mr. Pallett: I thought the war was still on in 1944.

Mr. Pickersgill: The hon. member's colleague from Bow River asked a question to which I am sure he desires an answer. Perhaps if he could help me restrain some of his hon. friends I could give that answer. In 1944, when transcontinental air lines were in their infancy, when indeed there were no transcontinental air lines except T.C.A.—incidentally, the reason there were no others was that no one else felt it was worth while to have them—a decision was made that there should be only one instrument for international and transcontinental services for a considerable time to come, until we could see how this whole situation was going to develop. That was done precisely because Mr. C. D. Howe had had a long experience in connection with the railways and the problems which had been created by having services which were greater than the country could support. He had the wisdom not to want to have that kind of situation develop in the air.

I say without hesitation that if in order to have an air line which will be paid for by the users and not by the taxpayers we can only afford to have one in Canada, I am in favour of having only one.

Mr. Woolliams: A monopoly.

Mr. Pickersgill: Yes, a monopoly; precisely. If you have two lines that are going to be bankrupt and subsidized by the treasury, or one line that can make money, I am in favour of one line that can make money. That is simple. If, on the other hand, you could have two lines that could both make money, I think that is preferable. I think any sensible person with the kind of economic views I hold would take that view.

Mr. McCleave: The worst of it is, nobody with the kind of economic views held by the hon. member could possibly be sensible.

Mr. Pickersgill: That was a typical contribution from the learned member for Halifax. The point I am making is that what I am anxious to avoid is a subsidy on air travel, to any unnecessary extent, paid by the taxpayers of Canada. We know that with a sprawling country such as our own, with vast areas to open up and keep in contact with, some kind of subsidy will be necessary in some areas. In the national interest there have always been subsidies, and we shall have them for a long time to come. We should not try to maximize subsidization, we should try to minimize it; that is my position. It is a very simple, thrifty position. It is perhaps a little old fashioned, but I really believe that we should try to save the taxpayers' money. If that is a terrible confession to make in this house, I make it none the less, and am not ashamed to do so.

Mr. Balcer: You have no monopoly on that.

Mr. Pickersgill: Now, sir, there was not a monopoly on air services in Canada. The government decided that in other areas there would be opportunities given for free enterprise, and that these areas would be delineated through the medium of the air transport board, for which my friend the hon. member for Laurier was responsible during all its formative period. It did a splendid job in encouraging young men, who came out of the air force, to get into the air line business—relatively small companies—and gave them reasonable assurance that in the areas in which they became involved they would have the traffic, so there would be a reasonable chance for them to make these operations pay.

This policy represented a great contribution to that splendid decade of development we had in this country from 1946 to 1956, and it was most unfortunate, in my opinion, that the policy was abandoned by the former minister of transport. I hope the present minister will go back to it.

In so far as some of these services were concerned, I agree completely with what one hon. member on the other side of this house said earlier; this cutthroat competition which was allowed in this area has already driven quite a number of these air lines to the wall.

I did not intend to speak about this subject of air lines at all, because it is really not my field but that of my friend the hon. member for Laurier. All I know about it are the A B C's, which I learned from him. I was drawn into this subject as a result of one or two questions which were asked and I should like now to come back to the question of ships in connection with which, notwithstanding the fact that I lost mine, I still have a more immediate interest and concern.

Mr. Woolliams: Did you not receive any compensation for the loss of this ship?

Mr. Pickersgill: It was insured by me under private enterprise, and I was fortunate enough to collect the insurance.

Mr. Balcer: Was it a small boat or a big boat?

Mr. Pickersgill: It was 110 feet long, and I leave it to the minister to decide whether it was small or big. The minister is not, even by indirection, going to get me to give any definition of what a small boat is, because that is exactly what I am trying to get him to do. The minister has said that the government intends to help the fishermen who are working in very small boats, and that it is going to look after them as well. The minister interjected yesterday during my remarks when I quoted him for the third time, and said, as found at page 5075 of *Hansard* for that date:

> A boat 65 feet long is certainly not a big ship.

I suggest, Mr. Speaker, that is not the point involved. I do not know why he mentioned a boat 65 feet in length, because his policy includes boats from 45 feet in length. I suggest that a boat of even 45 feet, while it may not be a big ship, is not a small boat in the sense in which fishermen understand it; it is a large vessel. Small boats are a good deal smaller than that. The boats being used by the majority of fishermen are a good deal smaller than that.

The government's policy in this respect is to provide assistance for the operators of what we consider large fishing boats. While the government has done a great deal—this is a very serious criticism I have of the government, and I say at once that this criticism might be applied also to its predecessors—it has not done enough. Of course the public expected this government to correct all the errors of the previous government, not merely to excuse themselves because we had made them.

Mr. Balcer: But you made so many.

Mr. Pickersgill: I suggest the minister has a great opportunity now to do something which we did not do. I suggest the difference between a man who fishes using a small boat and a man who fishes using these larger vessels is the difference between a family farm and a commercial farming operation. This government is doing something for the commercial fishing operation, but when the minister made his statement in this regard the other day he did not indicate any policy of providing assistance to what we might call the family fisherman, to adapt a phrase.

I should like to know whether this policy means that the government in fact is planning to assist owners of boats shorter than 45 feet and, if it is not, perhaps the minister could clear that up at once.

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

Mr. Pickersgill: If you will answer mine, you may.

Mr. Balcer: Is he against the policy to provide an encouragement to the hon. member's fellow citizens of Newfoundland to own boats larger than 45 feet? I realize that many fishermen in Canada operating off our coasts use very small boats, but also that they face tremendous difficulties because they do so. We want to encourage people to build larger boats, and feel that bringing this legislation forward will encourage those individuals using the very small boats to use what we call a small boat but a little larger, that is to say boats between 45 and 65 feet in length.

Mr. Pickersgill: What the minister is asking me is whether I object to having soup and dessert because I have asked for meat. Of course I am in favour of soup and dessert, but I am asking whether the minister is also going to provide the meat.

Mr. Spencer: You are asking for gravy.

Mr. Pickersgill: An hon. member has said something about gravy. I am referring to the government's policy and that may be his characterization of it, but it is not mine. I am very much in favour of the policy of assistance for fishing boats the minister has announced, which my hon. friend from Gloucester asked for the evening before it was announced. The policy announced by the minister provides something not quite as good as that asked for by the hon. member for Gloucester, but it is very nearly the same.

An hon. Member: It is one o'clock.

Mr. Pickersgill: Mr. Chairman, may I just finish my sentence? I am very much in favour of this assistance, but I am even more in favour of something being done to help the

inshore fishermen who, even with government assistance, could never raise the additional capital necessary to build these larger vessels; and I refer to the family fishermen.

The Acting Chairman (Mr. Chown): The hon. member's time expired at 12.50, but inasmuch as he was interrupted he may have the floor at 2.30, if that is the wish of the committee.

Mr. Pickersgill: I feel that would be unfair, and that the floor should be given to someone else.

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

Mr. Coates: Mr. Chairman, I should like to make a few brief comments at this time on the estimates of the Minister of Transport but before doing so I should like to join with the members who have preceded me in offering my congratulations to the minister on the leadership he has given to this department since assuming this office. He has indicated beyond any shadow of doubt that he is a minister who will look after the transportation problems that face this country and do so in a manner that will fully justify the promise he has shown through the years as a member of this house.

I wish to tell the minister just how happy the people in my part of the country are over the announcement he made on May 12 regarding assistance to the shipbuilding industry. This is a tremendous step in the right direction and will be of great benefit to the shipbuilding industry, to fisheries and to the people of this country who are seeking employment in those fields.

I might tell the minister I feel that further consideration should be given to the question of the assistance available in the construction of long-liners. Assistance is now available to long-liners between 45 feet and 65 feet in length. It may be that we should extend this assistance to a little larger type of wooden craft since, as the fishing industry has advanced, there has been a demand for a longer type of boat.

I might also make some mention of the recent cross fire between the minister and the hon. member for Bonavista-Twillingate regarding small boats. I do not think we need to extend the length of those vessels to the length of the luxury liner that the hon. member recently lost. I know he might be anxious to look to the government for assistance in constructing a 110 foot vessel but—

Mr. Pickersgill: They are covered; I was asking for the small ones.

Mr. Coates: —we would not want to go quite that far. At the same time the hon. member did refer to small vessels. I think the minister's explanation was that this assistance will allow those fishermen who today are not able to acquire craft of 45 feet in length to have the benefit of the subsidy, and it might very well put them in a position where they can acquire them. This is a forward step in that direction and one on which the minister should be congratulated.

If one looks over the budgets of the various provincial governments today one finds almost without exception that each shows a surplus. Unfortunately, this is not so with respect to the federal government because of the tremendous assistance provided to the provinces and to every aspect of our economy. If the hon. member for Bonavista-Twillingate is interested in assisting the fishermen who are mainly involved in inshore fishing in smaller type vessels, maybe he can speak to his good friend the premier of Newfoundland who receives probably 65 per cent of his total budget from the federal government. It might be possible for him to take some small part of this and make it available to that type of fisherman.

I should also like to associate my remarks with those of the hon. member for Pictou. This very energetic member gives his constituency the type of representation it deserves. I refer also to the hon. member for Queens. Both of these hon. gentlemen have brought to the minister's attention the need for a replacement of the *Charles A. Dunning* ferry on the service between Pictou county and Prince Edward Island. There is no doubt that the people in Prince Edward Island deserve the very best service that the Canadian government can provide. The vessel to which I have referred is now outmoded, and the demand for ferry service in that area is such that consideration should certainly be given to the provision of a new vessel to take care of this very necessary service.

May I now turn to a matter of very urgent concern to my constituents in the disaster stricken town of Springhill. This has to do with the spur line between Springhill Junction and the town of Springhill. I should like to thank the minister for the very sympathetic consideration he has given to my requests on this particular subject, and also for the very sympathetic way in which the C.N.R. has

looked at this matter to date. It is a most complicated matter since the line is owned at present by a private company. The board of transport commissioners has indicated in a decision that they will allow the company to abandon the line, and since that time I have met with Mr. Gordon and the minister. I have discussed the matter with the premier of Nova Scotia who has also been in touch with the president of the C.N.R. and the minister. I am very hopeful that it will be possible to find some way for the C.N.R. to assume the operation of this spur line.

The request made by the citizens of the area is that only three and a half miles of the line be assumed by the C.N.R. This would mean that the town would have a railway line available to it when it was necessary to bring in materials. I might point out in this regard that a battery factory has recently been established there which almost of necessity needs the line to transport sulphuric acid from the junction.

The new coal mine established in Springhill, which is presently undertaking new developments in the area that will mean additional employment if they prove successful, could also benefit materially from the continued operation of the spur line. When a decision is reached on this matter I certainly hope it will be a favourable one assuring that Springhill will have the transportation facilities available to it that are necessary to attract new industry to the area.

I wish to turn to another problem of direct concern to my constituents, the re-establishment of a ferry service between Parrsboro and the Annapolis valley. There had been a ferry service in operation for 90 years until 1940 when the ferry which plied between Parrsboro and Kingsport was removed on the assumption that it could be utilized better in the war effort in another area of Canada. My constituents did not object at that time for it was their belief that they should do everything within their power to assist the war effort. However, at the end of the war they quickly realized that what had been taken from them was not to be returned. This was most unfortunate and it became even more so as the years went by for the beautiful town of Parrsboro found itself cut off from the main transportation route upon the establishment of the trans-Canada highway in another area of my constituency. Since that time the people there have made many efforts to have the ferry service re-established.

I might say it is to the credit of the government that very serious consideration was given to the establishment of a scheduled service between Cumberland and the Annapolis valley. However, this meant the construction of deep-water piers. Estimates of the cost of construction varied between $6 million and $10 million, and in the light of the circumstances involved the Minister of Public Works found that he was unable to provide this amount. As a result, only recently those interested in this service have been making efforts to have consideration given to the re-establishment of a tidal ferry service. If this were done a study could be made of the traffic available and it could then be determined whether it would be feasible to make an expenditure of the size needed to build deep-water piers.

I should like to bring to the minister's attention the fact that the Nova Scotia government has two ferries at the present time which will be available for other uses this fall when the bridge over the Bras d'Or lakes is completed. These two ferries are the *John Cabot,* which could handle between 20 and 22 motor cars, and the *Percy C. Black* named after a former member for Cumberland. He was an outstanding member of the House of Commons and the Nova Scotia legislature for many years and made a tremendous contribution to the history of Canada. If these two vessels could be altered they could be utilized in this service.

I am informed by the provincial government that the necessary alterations would cost about $100,000. This is a fairly large expenditure, one that it would be difficult for the provincial government to undertake by itself although that government did indicate that if the federal government would construct the piers they would be willing to undertake the alterations of these two vessels. Since the federal government is in my belief obligated to replace this ferry service and has indicated that it will not agree to an expenditure of the size necessary for the construction of deep-water piers, it is my view that it should be willing to enter into an agreement with the provincial government in order to assist it in the alterations necessary to make these two ferries satisfactory for this service.

I might point out to the minister that in the 90 years during which the ferry service was available to my constituents and the people of the Annapolis valley the federal government made available a subsidy of between $4,000 and $5,000 per year to assist in the operation of the service. Since the federal government has been fortunate enough to save this sum for some 20-odd years, it seems

only right that ways and means might be considered of making at least a portion of this amount available to the provincial government to carry out the alterations necessary to prepare these ferries for this service. I understand that the facilities at Kingsport would have to be extended.

I might point out that the Minister of Public Works has recently seen the completion of a very fine new wharf at Parrsboro, and repairs are presently under way on the breakwater in that area. This means that with a slight expenditure we would probably be able to have facilities available in the Parrsboro area which would be satisfactory for the loading and unloading of motor vehicles. I would appreciate the minister giving very serious consideration to this proposed ferry service because it will mean a great deal to the economy of Parrsboro, Parrsboro Shore and the area of Five Islands in the constituency of my good friend the hon. member for Colchester-Hants.

I might point out also that the federal government has recently made available to the province of Nova Scotia a contribution of 50 per cent of the cost of the construction of a new highway along the Parrsboro Shore. It would only seem logical to me, since we have now spent approximately $300,000 of our own money to prepare these tourist roads, that we should make every possible effort to attract the tourists to this area. Certainly, the re-establishment of this ferry service would be the best possible way of doing that. In my opinion, this would be of tremendous assistance to the agriculture industry in both the Annapolis valley and Cumberland. It eliminates at least 115 miles from the route between Annapolis valley and the New Brunswick border. There is no doubt but that any possible means of getting our goods closer to the market is something that deserves serious consideration.

I believe those are the two main items I wish to bring to the minister's attention. I should like to again offer him my thanks for the assistance he has made available to both the shipping and fishing industries of my province.

(Translation):

Mr. Eudes: Would you allow me, Mr. Chairman, to tender, as did the previous speaker, my congratulations and wishes to the hon. member for Three Rivers (Mr. Balcer) on his appointment to the post of minister of the important department he now administers.

I wish him as much success as had his predecessors having particularly in mind the hon. member for Laurier (Mr. Chevrier), promoter of the St. Lawrence seaway, which is the envy of every other country since its necessity, its economic soundness and opportunities are being realized.

The hon. member for Laurier has so put his stamp on that department that whenever the estimates of the Department of Transport are discussed, we can rightly wonder whether hon. members on the government benches do not still consider him as the minister in charge.

The policy announced to the house in connection with ship operating and shipbuilding on Friday, May 12 last, and I quote the very words of the minister:

> —is intended to make it possible for Canadian ship operators to obtain new vessels from Canadian shipyards at reasonable and competitive prices instead of being forced to have them built abroad because of the lower construction costs that prevail in other countries.

This is a commendable policy and is to the credit of the government. However, the way it was introduced and the method of its implementation leave some doubt as to its legality.

On the same date, the minister advised the house that:

> Parliament will be asked to provide, by way of departmental estimates, funds—

For the purposes set forth in his statement. I wonder whether this procedure is in accordance with the spirit of the constitution.

In the same statement, the minister advised the house that:

> The methods of determining approved costs for this purpose and other particulars relating to administration of this plan will be prescribed by regulations to be approved by the governor in council.

But how could the governor in council make regulations unless they can apply to an act duly approved by parliament?

As an example, I refer you to chapter 294 of the Revised Statutes of Canada under which the government first received authorization from parliament before granting subsides to wheat producers. Because of that authorization, which took the form of an act, the governor in council could then make the appropriate regulations.

To those remarks, which are made in a spirit of co-operation, I add the wish that the proposed policy of the minister will bring back to our shipyards the prosperity of former years and provide to hundreds of voters in my constituency an opportunity to resume the jobs they lost when the yards closed down.

Mr. Chairman, with your permission, I would now like to add a few brief remarks relating to certain matters which were brought to the attention of the Minister of Transport May 18 last, by my colleague from Maisonneuve-Rosemont (Mr. Deschatelets). Like the Maisonneuve-Rosemont riding, the Hochelaga constituency, that I represent in this house, borders, in all its width, to the southeast, on the St. Lawrence river. It is crossed throughout from west to east by the C.N.R. railway tracks, and its western boundary is located a few blocks from Jacques Cartier bridge.

You will realize, from those preliminary remarks, that the welfare of the people in the Hochelaga riding can be affected to a great extent by the policy implemented by the Department of Transport.

I shall deal first of all with the railway lines operated by the C.N.R. Those lines extend from Moreau street, former location of the station of that same name, and cross Hochelaga riding from the southwest to the northeast.

They were built in 1913 by the Canadian Northern Quebec Railways Company. At that time, this section of Montreal island was part of the town of Maisonneuve which was annexed to the city of Montreal toward the end of the second decade of this century. At that time, those tracks ran through vacant lots, crossed by a few streets with only a few houses on them.

At the time, the population of the area affected by those railway tracks did not exceed a few thousand, but is now over 200,000.

Since this trackage was taken over by the C.N.R., the topography of that section of Montreal has completely changed by reason of the growth in population and consequent development.

Many new streets were opened up. Countless residential, business and public buildings, as well as churches and schools, have been built.

Those lines were built for two specific purposes: a daily transport service, both ways, by three passenger trains, one of which ran up to Chicoutimi, and freight transport, a small amount of which was intended for the few factories established along the lines. The other freight cars were directed to other lines, farther west, to be exchanged or handed over to the Canadian Pacific Railways.

It is undeniable that the presence of those railway tracks explains the lag in the development of this part of Montreal, as compared to other parts of the island.

Railway trackage within cities has never been considered as an attraction. Freight trains are unsightly, they are noisy; they hold up both pedestrian and automobile traffic. All this, together with the direct hazard they are for citizens who use the streets intersected by those railway lines have been, since 1913, so many unattractive features which, as we are now regretfully compelled to realize, have hindered the progress of this eastern part of the city of Montreal.

It happens that the purpose for which those railway tracks were built no longer exists today.

Moreau station disappeared 15 years ago. Passenger trains using that station as a terminal at the time have been rerouted and now operate out of Central station.

Except in a very few cases, freight trains use the elevated tracks situated more to the north on the island of Montreal.

It means that these tracks between Moreau and Viau streets are only there now to serve some 20 manufacturers which could as easily use another means for shipping and receiving goods.

They are also used by tank-cars from oil refineries in Montreal east. These could and should use another existing route by merely making a few changes.

When you consider the lay-out of those tracks, you can see that between Moreau and Viau streets they cross more than 25 streets, which means as many level crossings.

Now, the area comprised between those 25 streets is one of the most thickly populated on Montreal island.

Whether they go to church, to school or want to take the nearest bus, those people have to cross the railroad tracks.

One can imagine the dangers and the delays resulting from those level crossings which for a few years now have even been gateless.

About traffic hold-ups I have a very definite case for the minister's attention.

I live on Prefontaine street, a few hundred feet north of those railroad tracks. I can assure him that the traffic is held up daily on account of the freight cars running on those tracks, some times for half an hour —and this in spite of many representations made to the Canadian National authorities and to the predecessor of the present minister and in open and repeated violation of section 314 of the Railway Act which limits such periods of obstruction to five minutes.

My colleague, the member for Maisonneuve-Rosemont, and myself supported by the association of Montreal east businessmen, are again asking the Minister of Transport to ask the Canadian National to reconsider their decision and to give up using those railroad tracks which have become practically unnecessary and unprofitable compared to the loss and lessening of welfare inflicted upon a population of over 200,000 persons. This population must suffer all the inconvenience resulting from the existence and operation of those tracks, because some reluctance is being experienced when it comes to withdrawing the privilege of a siding granted to a score of industries that use it only occasionally.

In short, it is a conflict between public interest and that of certain individuals or corporations. I hope that the minister will use his influence and authority to see to it that public interest prevails.

Mr. Chairman, I should like now to take up another matter which has to do with the item before us, the need for a new bridge east of Jacques Cartier bridge.

At the present time, Montreal and the south shore of the St. Lawrence are linked by three bridges: Jacques Cartier bridge, Victoria bridge which is the property of the C.N.R., and Mercier bridge which is under provincial jurisdiction.

A fourth one, Champlain bridge, is under construction.

To sum it up, even if Montreal east has a much larger population than Montreal west—although the count is difficult—it has only one bridge, the Jacques Cartier bridge to which have been added the two lanes reserved to street cars at the time the bridge was built. Those two lanes have alleviated the problem created by the unbelievably rapid and continuing growth of recent years in the number of motor vehicles using that bridge.

But they are by no means the solution the public which is also the taxpayer are entitled to expect from the government about such an urgent and important problem.

Indeed, on both shores of the St. Lawrence river, below the Jacques Cartier bridge, we have seen an industrial, commercial and residential development which upsets all forecasts of only 30 years ago planned to promote connecting roads between them.

The new plants built or under construction on the north shore, and especially on the south shore, in the Varennes, Vercheres and Contrecoeur areas, require growing communication with the metropolis, particularly with areas directly opposite, on the north shore.

As those communications operate both ways, one can easily imagine the waste of time and, therefore, the higher costs of production and transportation resulting from trips thus made necessary, along streets permanently jammed, to reach Jacques Cartier bridge.

I could enlarge on the subject to show, for instance, how the new bridge would significantly help solve the traffic problem in Montreal, and promote the general development of trade and industry, particularly the tourist industry which represents an important item in Canadian economy.

For the minister's benefit, I will recall the debate we had in this house on March 9, 1959, on a resolution introduced by the hon. member for Laurier, and I will merely ask him to consider this suggestion to build a bridge over the St. Lawrence river, downstream from Jacques Cartier bridge, a project which would have the immediate effect of providing work for the thousands of unemployed in the Montreal area.

Before concluding my remarks, Mr. Chairman, I would like to say a few words in support of an excellent suggestion made by my colleague from Maisonneuve-Rosemont following an editorial published in *La Presse*. He had suggested that the public be again given free access to the Montreal harbour and that the shores of the St. Lawrence, the finest gift we have received from Providence, be restored with some of the attractions they have been deprived of by industry, business and progress.

The St. Lawrence belongs to no one in particular, even where it flows near plants and wharves. It belongs to the public, even if the public have let the government build up those shores for the general prosperity of the country.

The fact remains that the public, namely each and every one of us, should have free access to the river, and the government should transform its banks in such a way that private individuals could, without interfering with the practical use of the river for the necessities of progress, admire from the shores of the St. Lawrence the magnificent view of Montreal, watch the arrival and departure of ships and follow the movements of navigation and the various activities in this, Canada's

most important harbour, which, especially since the opening of the seaway, has become one of the most interesting harbours in the world.

With regard to Montreal harbour, which in the past few years has been accommodating almost all freighters calling in Canada, the minister will perhaps allow me, Mr. Chairman, to stress the conditions of the sheds at the disposal of passengers and their friends who accompany them when they leave or welcome them when they arrive.

The cleanliness of these sheds—and that is the least that can be said—leaves much to be desired. No comfort or conveniences are offered people who use them and sometimes have to wait for many long hours. There are neither shops, nor restaurants, nor newspaper stands, for instance.

Why not consider building a ship terminal in Montreal worthy of the metropolis and its harbour?

I associate myself with my colleague, the hon. member for Maisonneuve-Rosemont (Mr. Deschatelets) in asking the hon. gentleman to consider the questions to which I have just drawn his attention, because I am sure that he will be able to strike the right and necessary balance between the public and individual interests.

Mr. Ricard: Mr. Chairman, like previous speakers, I want to congratulate the Minister of Transport (Mr. Balcer) on his appointment to the post he now occupies. His great qualities as a statesman and his knowledge of the matter justify the hope that he will be able to carry out his responsibilities to everybody's satisfaction.

I would have liked to join the hon. member for Hochelaga (Mr. Eudes) in expressing appreciation and admiration for the former minister of transport, the hon. member for Laurier (Mr. Chevrier), for the work he did when he held that post, but because of the many gaps for which the latter was responsible I just wish the present minister good health, and much courage and perseverance in his efforts to fill those gaps.

That being said, I want to deal with matters of more immediate interest to the people in my riding and explain to the minister the needs of my constituency.

The minister and probably all the hon. members are quite familiar with the fine city of St. Hyacinthe. I know he will easily understand the needs I explained to him, because, on many occasions, and more particularly during the elections of 1957 and 1958, he, like the hon. member for Laurier, visited the constituency which I have the honour of representing in this house.

Mr. Chairman, the Minister of Transport knows that the city of St. Hyacinthe is, if I may say, divided in two parts by the railway tracks of the Canadian National. Indeed, we usually refer to the section southeast of the Canadian National tracks as lower town, whereas the section north of the track is called Bourg Joli.

In the late 20's and early 30's, there was remarkable prosperity in the city of St. Hyacinthe. As a matter of fact, the building of two or three large plants north of the tracks brought to that section of the town which we agreed to call Bourg Joli many homes which are today among the finest in the city.

Indeed, people who live north of the Canadian National Railway tracks belong to two large parishes. To the west of Bourdages street, we have a group of people in the two different plants. That working community is the result of action taken by some of my fellow citizens who joined, or synchronized their efforts to make low priced homes available to the working population.

The Sacre Cœur parish, which lies to the east of St. Ann street, is steadily growing and has now become one of the finest parishes of the St. Hyacinthe diocese.

Bourg Joli now has an estimated population of 7,000 to 8,000.

Before 1940, three streets led to that community. Around 1940, the municipal administration of the time had Bourdages street and Laframboise boulevard closed up and a tunnel built under the C.N.R. tracks, thus leaving only one street to reach Bourg Joli. I do not wish to criticize the administration of the time because I feel those steps had to be taken to meet the needs then prevailing, but with the present expansion of St. Hyacinthe, in that part of Bourg Joli, I feel that this single roadway is inadequate and I would ask the Minister of Transport, who knows St. Hyacinthe very well, to give serious consideration to the possibility of building a second tunnel leading into Bourg Joli.

The presence of about a dozen manufacturers on the north side of the C.N.R. tracks occasionally causes traffic jams, especially at peak hours, that is at midday and at six o'clock at night. Such traffic jams delay not only the factory workers but the general public as well.

I must also point out, for the minister's information, that St. Charles hospital, where services are second to none, is also located north of the C.N.R. railroad tracks. You can readily imagine, Mr. Chairman, all the difficulties and dangers that could result if, at a time when a seriously ill or dying person had to be taken to the hospital, there happened to be a traffic jam in the present tunnel. You no doubt realize all the disappointments, delays and damages that could result from such a situation.

So, Mr. Chairman, to help the minister reach an early conclusion, I should like to place on record a letter I have received from the clerk of the city of St. Hyacinthe together with a resolution passed by the town council. Here is what the clerk of the city of St. Hyacinthe had to say, and I quote:

On behalf of the municipal council, I am sending you herewith a certified copy of a resolution passed by the council at its meeting of November 4, in which you are urged to make representations to the federal government for the carrying out of various public works.

Please accept the thanks of the city council for your kind attention to this resolution,

Yours sincerely,

J. P. Brault.

The resolution attached to this letter read in part as follows:

That this council make representations to the federal government through Mr. Theogene Ricard, representative of the district of St. Hyacinthe-Bagot in the House of Commons, in order that early consideration be given to undertaking or causing to be undertaken public works or other works in the city of St. Hyacinthe and the adjoining area in the course of next winter;

Section 2 of the same resolution lists the various works recommended, such as a tunnel under the C.N.R. railroad tracks at the eastern entrance of St. Hyacinthe, which is to be started soon, and construction of a federal building to accommodate the various federal services in the city of St. Hyacinthe, which I understand is to be started in the near future.

I therefore ask the Minister of Transport to give special consideration to the representations of the city council of St. Hyacinthe, which I endorse, in order that a start be made on those works as soon as possible.

Mr. Chairman, before closing my remarks, I should like to say a word or two on the Richelieu waterway. In the last two days, we have heard a number of speeches on the subject. I have followed with close attention the speeches made by my colleagues and particularly those of the member for Laurier,

the member for St. Jean-Iberville-Napierville and the member for Chambly-Rouville (Messrs. Chevrier, Dupuis and Johnson).

I am personally interested in the matter, just as are my constituents, because two of the finest parishes in the constituency I have the honour to represent in this house, namely the towns of St. Charles and St.-Denis-sur-Richelieu, are located on the shores of the majestic Richelieu.

I must admit, Mr. Chairman, that despite the arguments put forward by my colleagues, no one has been able to show me that the Richelieu scheme, if it were carried out, would be an economic venture. Therefore, on the basis of the interests of my constituents, I cannot but endorse the position taken by the present Minister of Transport in wanting to look at every angle of this scheme before taking any decision. I share the minister's opinion and I feel sure a study of the matter would be worth while, because I do not believe we should do the dirty work for the people outside who might want to share in the profits.

Mr. Chairman, in closing, I wish to repeat that I have full confidence in the present minister's ability. My constituents and myself have confidence in his management of the whole question of transportation in Canada.

(Text):

Mr. Nugent: Mr. Chairman, I should not like the Minister of Transport to think that I am stepping completely over the traces this afternoon when I fail to be as complimentary to the administration as perhaps some of my confreres have been who spoke earlier today. There are a few items in connection with the transportation industry about which I am rather unhappy. There are a few more items which I feel are changing today a little faster than perhaps government concepts have changed to meet them.

To begin with, as a member from Edmonton, Alberta, where exists an air service of a type operated by many big air lines, and several smaller ones, an area that we in fact like to call the crossroads of the world, I find it just a little disappointing to realize that the first result of the opening of the new air service at the new international airport should be a worsening, shall I say of the air service between Edmonton and Calgary.

The new international airport is located at Nisku, about 20 miles out of the city of Edmonton. Operations are being carried out from a temporary terminal there, although it is an improvement over the terminal building at the old airport. The new terminal which

the department is now building, when completed, will be magnificent, and I should like to say at the outset we are very pleased to have this fine addition to our airport. We are also very pleased that the noise of the jets will not be directly in the city of Edmonton and, therefore, will not be such a nuisance, as it is perhaps in Dorval. However, we do have a great many air lines operating out of Edmonton which use aircraft of a type other than jets.

There are five or six flights each day, each way, between the cities of Edmonton and Calgary, utilizing Viscount aircraft, and I should like to suggest that the airport which exists now in the middle of downtown Edmonton is perfectly capable of handling those flights. While the facilities which exist there are not the best, they are sufficient to handle that job, and it would be of great convenience to businessmen to have these planes land at the old airport, which is just a few minutes' journey from the main business section of Edmonton and the downtown hotels. The flight between Calgary and Edmonton by Viscount takes 45 minutes, but since the flights have originated and ended at the new international airport at Nisku, another 30 minutes must be added to the time of the trip between these two cities. It is disappointing to have, as the first result of the opening of that new airport, the worsening of that flight from Calgary to Edmonton by the addition of half an hour in the length of time required. There is of course a small added expense because of limousine service required between the downtown area and the new airport.

I should also like to assure the minister that those of us who travel frequently from Edmonton to eastern Canada are certainly appreciative of the new fast jet service which is provided, which has cut down travelling time by two or three hours. I should not like to give anyone the impression that we have only lost, in efficiency of service, as a result of this new international airport.

The old airport in downtown Edmonton is still capable of handling Viscount flights, and I suggest there is no valid reason, so far as I am aware, in view of the fact that other air lines are presently carrying out operations from that airport, why Trans-Canada Air Lines should not continue their Calgary-Edmonton operations from that airport rather than from the new airport at Nisku. Pacific Western Air Lines still operates from that airport for their northern flights, as does Canadian Pacific Air Lines for a portion of their runs. In addition, numerous other private and chartered air lines still operate from this old airport.

I have been told by T.C.A. that they do not think they want to go to the expense of having two separate ground crews, one at the new airport and one at the old. I merely suggest that certainly the most efficient method of handling this is for a pool ground crew to handle all air lines operating into Edmonton. It seems this idea should work most easily because we have several air lines in the same position. As it is now, both T.C.A. and C.P.A. are in the position where they should be running a split service, but only Canadian Pacific does it. This should keep the cost of ground service at the airport within reason, and should enable us to maintain at least that very high standard of service that we had enjoyed for so long in Edmonton. I think that part of the difficulty has to do—and here is where I am perhaps going to disagree a little with the hon. member for Bonavista-Twillingate—with the fact that the accent for a long time has been on the necessity of making sure that our air industry is given all the help it could get so that it could grow with the growing times and meet the growing needs of the country. However, I do believe there comes a time when you must put the brakes on and remember that the only reason why you are building an efficient air industry is that it might provide better service to the public. I believe we have reached the point across Canada where it is no longer necessary that there be a monopoly.

I will agree that at the outset it might have been necessary to have a monopoly for T.C.A. long enough to get itself established, to learn the business, to acquire the personnel, the airplanes and the facilities to handle the business, and that competition could have been ruinous at an earlier stage. However, there comes a time when sufficient business has been generated, and that by keeping just that level of business any efficient operator should be able to continue to make a profit and to serve the public in the manner in which we should like to see it served. I believe we are beyond that stage now in Canada. We have generated a lot of business. It does seem to me that Trans-Canada Air Lines in its plans of operations continues to build in the belief that it will be forever a monopoly; that it is not planning to meet competition if it ever comes along, but planning to make sure that there shall be no reason why anyone should ever want to permit competition.

I do not believe that competition in itself is good, Mr. Chairman, but I believe that competition is good in the results that sometimes flow from a reasonable amount of it. A monopoly is bad because it does not have anything with which to compare itself. It

soon slows down because it loses the incentive that is presented by the original hump. I suggest that in its earlier days T.C.A. was more dedicated, harder working and had more determined people working for it when it had to struggle just to get its feet under it. I suggest that the same thing applies not just to T.C.A. but to any other monopoly in the world. Once the incentive is gone, once you have got over the hump, so to speak, once you feel a certain amount of success and can see no competition, it is only human to slow down a little bit and I suggest that this has happened in Canada.

There is no reason that I can see why the increase in air traffic on domestic routes and on the trans-Canada routes should not be open to competition. From speaking to Canadian Pacific Air Lines personnel I understand they would be content if they would be allowed to compete for the increase. To me, Mr. Chairman, this seems to answer the objections of my friends, such as the hon. member for Bonavista-Twillingate, who are in favour of a monopoly. They have that amount of business which must have justified the monopoly at the start and they can keep it, but if they want to continue to grow, then they must continue to grow in the face of competition that will keep them on their toes, and I suggest that the people of Canada will be better off because of it. We cannot help but gain. I do not think it threatens the existence or the life of T.C.A., since they will be guaranteed that amount of business that has built them up and has kept them going. If private enterprise wants to come in and fight with them for a share of the increase I think we shall get better service out of it; that T.C.A. will sharpen up its service and that C.P.A. will do likewise, and we shall all be a lot better off. I do not think any of those companies will lose money.

I am a little distressed by the thought that C.P.A. cannot land in the United Kingdom on their polar flights from Edmonton. The flight from Vancouver stops at Edmonton on the flight to Europe but it cannot land in England; it has to land in Amsterdam. Trans-Canada Air Lines have a distinct advantage, and I suggest an unfair one, in that they can pretty well pick and choose where they want to go. They are not subject to the same restrictions as to where they will and will not fly. By its special arrangement and special relationship with the government it merely announces its intention to take on a new route and it starts to fly that route. Since we have given some recognition to the principle of competition by private enterprise, and since we have allowed C.P.A. to compete to a certain extent, I do think in all fairness and common sense the amount of competition which C.P.A. should be able to give should be that amount which would give them substantial feeders into their overseas route so that they will derive some real benefit and shall be able to take away from foreign companies that business which they have the capability to handle.

It is not only just the overseas routes that I am concerned about or even the trans-Canada routes. Edmonton is a city with its eyes to the north. We like to think of ourselves, and have been known for years, as the gateway to the north. We are the suppliers of the north certainly, and the northwest, and all the transportation companies in that part of the country have their headquarters in, or operate through, Edmonton to a certain extent.

In the research committee we recently studied Eldorado, which is a crown corporation having a couple of subsidiaries known as Northern Transportation Company, a water carrier, and Eldorado Aviation, an air carrier. This study was in connection with an application by Pacific Western Airlines to take over the air business of Eldorado Aviation. Pacific Western Airlines operates out of Edmonton on the eastern side of the Rockies mostly, but also has a prairie run, and some out on the coast. It is the main Mackenzie river route carrier.

In the north, as in the rest of Canada, we have the air transport board which decides who shall be allowed to run air carriers, how much competition may be allowed, and so forth. It sets the rates and regulates the business very closely in order that we may have a healthy air industry. I suggest again that a study of our northern transportation problems will show the same serious defects which I say I found in the trans-Canada run.

The air transport board has been and still is, I know, a very dedicated body. They take their duties very seriously. They work very hard at trying to understand the problems of the north and seeing to it that the air industry is kept healthy and strong so that it may be of the most benefit to this country. However, I suggest, Mr. Chairman, that dedication to duty itself may be to some extent a little blinding. I suggest they have forgotten the original objective of a healthy air industry that is of service to the country. I think that a close examination of the problems existing in the air industry in the north will show that they have concentrated so much on building a healthy air industry that the prime purpose of service to the north has been somewhat neglected. The concept of competition in the first instance was that in a certain area only so many carriers could

operate because there was only so much business. This sort of area monopoly may be necessary to a certain extent and it certainly accomplishes part of what it sets out to do.

But, Mr. Chairman, the needs of transportation in the north have been changing. Types of airplanes and methods of carrying things have been changing so rapidly that I suggest our regional method of coping with these transport problems is now out of date. We are using larger airplanes which, when properly used and kept busy, can reduce the cost of carriage to a very small amount so that we can see the very serious transportation problem in our northern regions being reduced to a considerable extent if we can get full utilization out of these big, modern planes.

Unfortunately we do not have planes following the business. There is no such thing as a ready amount of transportation business so that people can just walk in, buy the airplane they want and start servicing the business. They must, so to speak, dig up uses for the plane. They must start to find a new need for it and find the extra cargo which is going to justify the additional investment of providing a big plane and that will keep it flying to that extent of its usable time that will bring costs down. Only then are we really doing something about the transportation problem.

Here is where the area concept of the air transport board constitutes an obstacle. In order to take full advantage of cargo carrying capacity, the large plane needs more flexibility. It has to be able to fly not just in one little area. Instead of merely flying back and forth between Norman Wells and Edmonton, for instance, it may be found that there is in Yellowknife a product which can economically be carried directly to Montreal from Yellowknife, another product from Montreal to Edmonton and something else from Edmonton to Yellowknife so that the plane is flying a triangle service and is always loaded, which is the way to make money. That is the way they should be operating instead of flying into the north full and coming back empty as aircraft have been operating into the north for years. The area concept will not allow an aircraft operator at the present time to do what I have outlined and I suggested that these matters need to be looked at.

I do not suggest that the problem is a simple one to solve. These areas were set up after much deliberation and I know they are being looked at closely quite frequently by the air transport board. However, I am suggesting that there has always been too much interest in the air industry and not enough interest in service. I should like to give an example to illustrate why I say there is not enough emphasis on service.

In western Canada we have a very active oil industry. I am sure all members have noted with considerable interest the way in which Canadian oil exploration companies and some American ones have responded to the government's urging and the opportunities that there are in the north to drill for oil and to do exploration work all the way up the Mackenzie valley and, in fact, into the Arctic islands. A week or two ago I talked with some shippers interested in the oil industry. I asked if it was possible to get an oil rig into the north country and out again by barge in the same short shipping season, that is, take it in by barge when the river opens, drill a well and bring it out again by barge before freeze-up. One gentleman told me that no oil rig had ever been taken in and brought out in the same year.

An oil drilling rig is a very expensive piece of equipment. The costs of operating it run into thousands of dollars a day taking into account its value, depreciation, regular expenses and so on. To this day there is no airplane in Canada tested by the Department of Transport that is capable of carrying a complete oil rig to a site and out again. I know of one man, and there are others who would like to have the chance, who found that he could fly in a DC-3 equipped with skis or floats to a lake near a well site and unload a small tractor to bulldoze a strip large enough to take a DC-4 or a C-119 with a complete oil rig and all its supplies. This operation was carried out only once in Canada to my knowledge.

The operator of the aircraft told me, and I have some verification from oil companies, that on that one well drilling operation alone he was able to save a quarter of a million dollars for the drilling company. The operation was a quarter of a million dollars cheaper by air because the rig was taken in and brought out within a few months and did not have to be tied up for a whole year. This man was only allowed to do this once and no more. He could not fit into the necessary categories or classes of air service. In other words, the present air carriers whose licences are broad enough and who have a monopoly in that area have not tried to acquire the plane to be able to give this service and the one who did try was found to be breaking the law because he was infringing on their rights and he had to stop.

I had occasion to speak to the air transport board about a man who wanted to get permission to use a C-119 or flying box car with specially powerful engines because of its unique loading property in that the tail

opens up. A new light drilling rig has been developed in the United States and it would be possible to put such a drilling rig in this aircraft and fly it to these locations. This man wanted to try it, and here is what actually happened.

On making application to the air transport board for a licence to carry out the service, he was told he would have to make up his mind which sort of licence he wanted to apply for. He was not quite sure what class his service would fall under and the air transport board told him to make up his mind which service he wanted, apply for it and they would then tell him whether he was right or wrong. In view of the need of service in that part of the country, I suggest that surely the air transport board should have put its facilities at the disposal of this man and said to him, "Here is the advice we can give you. This is what will be needed. This is the class we would like to see you operate under, apply under this class." This was not done. They refused to do that. They just said, "You apply and we will tell you whether you qualify".

Mr. Horner (Acadia): Would the hon. member permit a question? Is he suggesting that the regulations of the air transport board are not flexible enough to promote the advancement of different types of air traffic into the north?

Mr. Nugent: That is just about the sum and substance of my argument.

Not only that, but the board also said to him, "You are a little premature with your application because we do not think you have an aircraft and until you have an aircraft what is the use of applying"? He said, "I am going to use a C-119". They said, "It has not been cleared by the Department of Transport for civilian use in this country and we do not want you to apply for a licence until your aircraft has been cleared for such use".

Thereupon he applied to the engineering division, I believe it is, of the Department of Transport and asked if they would give him a clearance on that airplane. The Department of Transport's reply was that since the testing and qualifying of one of these planes was a very long and costly process they had no wish to go to the trouble of trying to do this until they were sure the man was really going to operate and therefore he should apply to the air transport board and get his licence first. So, we have the Department of Transport saying, you cannot get this plane certified until you get your air transport board licence and the air transport board saying we will not take an application until you get your plane certified. To this day, we do not have the plane certified and we do not have a licence. The oil industry in the west, therefore, does not have the airlift which it needs in order to efficiently carry out exploration. I assure you, Mr. Chairman, that I have many letters in my files from oil exploration companies showing their interest in this project.

I could point out another possible way in which a more flexible air policy in the north would perhaps save us a little money. I assure you, Mr. Chairman, that what is needed to open up the north country is not only much more imagination on the part of the government but more imagination on the part of the many transport carriers so that costs can be reduced. In this way, the north will be opened up much faster. I have had an experienced transportation man tell me that he could see no reason why groceries should ever go into the north in any other way but by airplane. When you consider the difference in cost between water transportation and air transportation, especially when the DC-4 type of plane is used, you find that that difference is more than taken care of by the turnover in the stock and the interest on your money. If you are supplying your merchandise by barge in the north you have to keep more than a year's supply on hand. If you are supplying by aircraft, then you only need about one twelfth of the capital you would otherwise need because you can restock your shelves every month or every two weeks if you so desire. It is this turnover of capital that makes the tremendous difference.

The amazing fact is that the only corporation in the north of which I am aware that has made any searching analysis of costs to ascertain the advantage of air transportation over water or vice versa is a crown corporation, namely Eldorado Aviation. Eldorado has built up its own fleet of air carriers. From what I have seen of it, I believe it is a most efficient organization. The company officials told me that before they would divert any of their freight from water to air, they had to be shown that this was going to save the company money. They could see the advantage in terms of convenience, but convenience also has a dollar sign attached to it. It is only worth so much. The savings on investment and convenience were factors to be considered. The officials said, if it is cheaper to carry by air then we will allow you to carry by air. This is what Eldorado says to its subsidiary company, Eldorado Aviation. As we have seen, Eldorado Aviation has built up to a DC-3 and a DC-4, and they are hauling freight at such a rate the people in Uranium City are very envious.

I was there in January and the storekeepers are quite annoyed at Eldorado Refining because that company is able to sell in their company store much below the costs of the other merchants. The merchants of that town think it unfair that Eldorado should have the advantage of this type of air service, while they have to pay the expensive rates on P.W.A. Of course, I am not suggesting that Eldorado rates are cheaper merely because that organization is more efficient. It is true that P.W.A. runs a different kind of service. They cannot put different planes into operation to suit the requirements, and there is not that degree of co-operation. All I am doing is pointing out an example to the committee of the fact that, given a little more flexibility and a little more imagination, along with the development of larger planes for specific purposes, it is possible to provide much better service at lower cost for the people of the north country. This is what is needed in the north.

If I may come back to my starting point, I would say that I find too much attention has been paid to the welfare of the air industry. We had to pay a lot of attention to the welfare of that industry in order to get it going because the air industry could provide the kind of service we wanted. However, I suggest that we have, in part, lost sight of that original objective, providing good service. Now, more than ever, we need to provide service in the north. We need more flexibility and we need to take a new look at how we are going to allow our air services to operate in the north. I think, perhaps, the same could be said of the water services too.

Mr. Horner (Acadia): Before the hon. member resumes his seat, would he permit another question? He referred in his remarks to the government having enough imagination and to the people handling air transport in the north not having enough imagination. I wonder if the hon. member meant that the air transport board did not have enough imagination?

Mr. Nugent: I would suggest that the air transport board is very dedicated to doing a job. I would say their initial problem was to make sure we got a healthy air industry going in the north to supply this air transport. I believe the board lost track of the reason for our desire for a healthy air industry. They now approach the problem first in the light of how it is going to affect the air industry whereas they should really look at the north and say, what does the north need. They would find that in this roundabout way they would accomplish more for the air industry than by this method of relegating all other considerations to the background in favour of this approach of helping a particular air carrier establish in this area.

Mr. Pugh: I should like to direct my remarks to two main points. The first point I want to consider is the bridge subsidy with regard to freight rates in Ontario. In 1957 the fruit and vegetable industry in my area, particularly the mountain area of British Columbia, had four main problems. This government has acted to assist in solving three of these problems by means of legislation and other means. The one remaining point that needs attention is the freight rates in so far as they affect our shipments out of the mountain area to the rest of British Columbia and the prairie provinces.

Actually what we are up against is a fairly high freight rate brought about by the fact that fruits and vegetables are not carried at the cheapest rate. The point I wish to make relates to the competition from Ontario and Quebec producers of fruits, vegetables and canned goods. The bridge subsidy, at its inception, may well have been the answer in helping Ontario and Quebec producers compete on the prairie provinces against goods from the United States. The result has been, however, heavy competition with the producers of British Columbia. In my opinion whoever looks after the bridge subsidy and freight rates should take into consideration the fact that if the bridge subsidy is necessary then there should be aid given to the British Columbia fruit and vegetable growers situated in the mountain areas in order that they may ship to these markets.

Incidentally, I may say that as far as fruit is concerned one way in which we have overcome this freight differential is by producing a quality product. But you cannot go on getting better and better fruit all the time.

The second point I wish to make follows along the lines of the remarks of the hon. member for Edmonton-Strathcona who has just taken his seat. I only wish to touch one phase of his remarks, and that is in regard to C.P.A.

I think the hon. member stated the question well. He is not too worried about the flights outside of our country, but he is certainly worried about the transcontinental route. At the present time C.P.A. flies one service east and one west per day. They have one transcontinental flight per day and they have been operating this for two years.

I would ask the minister to have a long look at any application which is now made by C.P.A. to increase the frequency of their transcontinental runs, because I think that

quite apart from all the things that have been mentioned today there is good reason for this increase.

I do not want to delve too much into history, but the history of Canada is bound up with the C.P.R. The C.P.R. originally linked Canada together; it was an important factor in that regard. As the C.P.R. has grown it has developed the greatest travel system in the world. If you examine it you will find they operate steamships, railways, hotels and trucking services. They have also been a great factor in land development in western Canada.

They have gone into air transport extensively over the years. They have a reputation which is pretty hard to beat as an intercontinental air line. That reputation is based on service. Service is one thing they have given to Canada in all facets of their passenger travel services and the transport of goods.

Mr. Pickersgill: Is the hon. gentleman speaking of T.C.A.?

Mr. Pugh: Has the hon. gentleman asked a question?

Mr. Pickersgill: Yes.

Mr. Pugh: What is the question?

Mr. Pickersgill: I said, "Is the hon. gentleman speaking of T.C.A.?"

Mr. Pugh: No, I am speaking of C.P.A. I have no bone to pick with T.C.A., I may say, and if the hon. gentleman had been here and had listened to the last speaker in regard to C.P.A., I have stated that I am merely endorsing his remarks; that I am in complete accord with them.

To go on with my point, Mr. Chairman, C.P.R.'s growth and the position it has taken in Canada—

An hon. Member: Oh, oh.

Mr. Pugh: My hon. friend laughs at the C.P.R. perhaps, but during the last war no one laughed at the rail services they provided for Canada. During the last war no one laughed at the steamship services they provided throughout the world for carrying troops of all nations. This company has a tradition, and a Canadian tradition.

I feel, as did the last speaker, that monopoly should only be allowed to go only so far; that there is a place for private enterprise in our transcontinental air service. I feel, and I feel it strongly—and I say this apart from all the points mentioned by the last speaker—that there is a necessity for increased air transport in this world. We are not static in any way. The trend is to air travel and air transport of all sorts and descriptions.

I should like to lend my aid, if it is necessary, to the furthering of any application by C.P.A. As the world goes along we may yet see another conflict. At that time transport will be a most important item, and transport by air will be an absolute necessity.

Mr. Chevrier: Mr. Chairman, if I could interrupt this lobby on behalf of C.P.R. there are one or two things I should like to discuss—

Mr. Broome: On a question of privilege, Mr. Chairman, I do not think the hon. member really means that. We are really speaking in regard to problems in our own areas. The hon. member for Okanagan Boundary is talking about things which he understands and the hon. member should give him credit for stating the case as he sees it.

This is not a lobby; it is simply trying to bring common sense into this matter.

Mr. Chevrier: I do not know whether my hon. friend rose to discuss a point of order or a question of privilege, but I see neither, Mr. Chairman. I have nothing to withdraw from what I said. I made the statement for two reasons. First because I felt the committee was rather quiet and should be awakened and because I thought there was no better way in which to awaken it than by saying I should like to talk about something other than the lobby on behalf of C.P.R. I hope the committee will not take that remark in any derogatory sense; it was not meant in that sense at all.

I also rose because I was informed, not by any official source, of course, because I could not obtain this information officially, that there were only 19 other speakers on the list, so rather than sit here listening I thought perhaps I could take 10 or 15 minutes to discuss these points which I have before me.

An hon. Member: Oh, oh.

Mr. Chevrier: Apparently, Mr. Chairman, that is not relished too much, but be that as it may. One of these statements has to do with a question I put to the Prime Minister recently and I should like to direct the attention of the minister to it. It arises out of an editorial that appeared in the *Financial Post* entitled "Stacked against the customer".

This editorial goes on to say that following the Warsaw convention it has now been determined, through a lawsuit in the United States, that the carrier's liability in an international flight is limited to $8,300. I am sure there are few people who fly on international flights who are aware of this fact. The editorial says:

> It was brought to public notice by a recent U.S. case. William Kapell, a famed American musician aged 31 and at the peak of his high earning power,

was killed when a Honolulu to San Francisco plane crashed. His widow sued for $1,150,000 but got only the Warsaw maximum.

Damages higher than $8,300 may be obtained, under the treaty, only if "wilful misconduct" can be proved.

I need not tell any hon. member who is a lawyer that in order to prove wilful misconduct in an airplane crash, when little or nothing is left, or with even the few material remnants that are left, it becomes almost impossible to establish such a claim.

In the circumstances there was an attempt to double the liability in 1955 when a protocol was signed at the Hague. I am informed that 30 countries must ratify the Hague protocol before it becomes effective, and up until now only 19, not including Canada, have done so.

I would ask the minister, his officers, and also the Secretary of State for External Affairs to give this matter more than ordinary consideration. It is true that the protocol was signed in 1955 when we were still in office, and regarding what was done during the two years 1955 to 1957 I have only a general idea because of what I was told; I was not a member of the government in those days. However, that is not the point.

I am sure the minister will immediately agree, as will every hon. member of this committee, that it is important to, if not double the liability, then increase it substantially. It would seem to me this is a matter to which Canada should be giving serious consideration. There may be reasons for withholding consent but at least I would ask the minister to give the matter careful consideration.

Mr. Nugent: Would the hon. member permit a question? Could he indicate what he thinks would be the best figure. I realize he has suggested doubling it. Is that the figure he would suggest?

Mr. Chevrier: No, I think it should be much higher.

Mr. Nugent: Can the hon. member suggest a figure?

Mr. Chevrier: No. I think the first thing to do is to approve the protocol signed at the Hague, then either through the Canadian delegation to I.C.A.O. or on some other international level give consideration to the whole problem, and since I.C.A.O. sits almost continually at our headquarters building in Montreal where we are represented it seems to me there is the place where consideration might be given to a matter of this kind. This is a technical matter. It is a matter upon which I do not attempt to give any advice. I think the advice must come from the experts, but until we have some more definite information I think we should aim at the protocol. There is perhaps something more definite and if it were to come from the delegation I am sure the minister and the government would want to give it every consideration.

There is another question and that is the situation of the pilots on the St. Lawrence. I will take a moment to deal with that. While I refer to the pilots in the main along the whole route, more particularly in the international section, as the minister knows there are some seven groups of pilots under his jurisdiction, four groups totalling about 200 whose territories cover purely Canadian waters, the Quebec district from Quebec to tidewater; the Montreal district from Montreal to Quebec; the Montreal harbour, and the Cornwall district from Cornwall to Montreal.

There are on the other hand three other groups totalling about 92 men whose territory covers international waters. There are three international pilotage districts, district No. 1, from Cornwall to Kingston; district No. 2, the Welland canal and waters connecting lakes Erie and Huron and district No. 3, waters connecting lakes Huron and Superior. As the minister knows, his predecessor brought a bill to the House of Commons two years ago, which was not withdrawn from the house but which remained on the order paper until an agreement could be reached with the United States concerning pilotage matters in the international section. It took some time before agreement was reached, but finally there was an agreement and the minister brought the agreement before the house and it was approved. The point I raise now is this: how are the terms of this agreement working out? I know there have been some difficulties. I know that in the international section the Canadian pilots have claimed that once a United States pilot got through the international section he should not take a ship down as far as Montreal. On the other hand, United States pilots have argued they can go right through.

I am not affirming any position at the moment because I know what was in the mind of the minister at the time. I think I remember what the minister said in the house. I believe the present minister should tell the committee what is happening and bring us up to date as to the working of this arrangement made between Canada and the United States in these three international districts. It is on May 1 that the so-called pilotage section, part IV of the act to amend the Canada Shipping Act came into force. That is the measure which took about two years to negotiate between our two countries. Part IV, the pilotage

section, applies I believe to international waters. There is also the question of fees that arises and I am not going to deal with that but I think perhaps the minister could give the committee a report on the operation and working of that section of the Canada Shipping Act concerning pilots in the international section.

I deal now with another matter having to do with Trans-Canada Air Lines. The minister will remember that following a change-over from the former aircraft used by T.C.A. to the new jet liners 104 pilots were put out of work or at least 104 were affected by the changeover. It was indicated at the time that most of these would find employment either in Canada or in Aer Lingus or at the service of K.L.M. The last time I spoke in this chamber on this subject it appeared that the number of pilots who had found employment was in the neighbourhood of 45. I hope the position is better today than it was at that time and I trust the minister will want to bring us up to date. I hope it will be possible to say as was announced at the time, that every one of these pilots has found employment with some other air line at comparable salaries.

There is a question which I asked about the Vanguard jet-prop aircraft in the house when I inquired of the minister whether three men were going to be required in the cockpit as compared with three in a similar aircraft in the United States. I find that part of my statement was in error and I tell the hon. member for Vancouver South that he was correct in the statement he made at the time.

Mr. Nugent: Very accurate. Very careful.

Mr. Chevrier: No, the hon. member is not always too careful. He is not, because he made a number of statements on the question of the C.N.R. directors concerning which I have no right to talk now which I found were not accurate but that is not the point. I have no hesitation in admitting I was in error, but here is the point. What I should have said was that the federal aviation agency in Washington had ruled that all airplanes weighing more than 80,000 pounds must carry a three man crew on the flight deck. The Vanguard weighs 140,000 pounds. In Canada the officers of the Department of Transport have accepted the complexity of flying an aircraft rather than weight as its deciding factor but there was some difficulty arising out of the decision in Canada as compared with the ruling in the United States which may cause some problems for T.C.A. planes. The whole question is, of course, one of air safety, one of the safety of air navigation, and I presume the Department of Transport has given consideration to that but if there is going to be difficulty between the two countries I am sure it will be necessary for the officials to reconsider their position. I think perhaps the minister might want to say a word in connection with that matter.

Finally, I should like to say a word about another matter to which I think the Minister of Transport should direct his attention. It concerns the Canadian institute of communications.

I note in the estimates, in one of the items, a matter which deals with membership in international organizations wherein the department makes a small contribution for membership in those associations. I should like to invite the minister and his departmental officials to give consideration to the membership, by a grant in aid of the Canadian institute of communications.

One might well ask what this institute is, and I should perhaps say it is an international body set up by federal charter, incorporated on December 18, 1959, to promote communications research and education in Canada. At present it has a provisory board of directors, resident in the cities of Halifax, Montreal, Ottawa, Toronto, Winnipeg and Vancouver. The board of directors are in part as follows: the chairman, Mr. Walter B. Herbert, director, Canada foundation, Ottawa; vice-chairman, Mr. R. J. McCleave, M.P., dean of the school of journalism, Halifax; treasurer, Mr. Paul Gormley, director of public relations, Canadian highway safety council, Ottawa; and the hon. secretary is Rev. John W. Mole, O.M.I., University of Ottawa. The object of this institute of communications has to do with research and educational work in Canada.

Incidentally, I assured the senior hon. member for Halifax that I did not intend to refer to this matter this afternoon, and I immediately apologize to him for doing so. The only reason I do in his absence is because there were so many speakers on the other side of the house and so few on this side, because we have made our contribution in the debate, I felt perhaps this was an opportune time to do so. I intended to do so in any event in respect of item 404, but I will save the time of the committee by doing so now.

I was about to say that the Canadian institute of communications was formed in response to the initiative of UNESCO which set up the international association for mass communication research at Paris. The IAMCR wishes to work through national councils in each country. The object of such a national council in Canada, therefore, would be to help the movement of communications research and education in this country to derive benefit from, and contribute to, the world-wide effort in this domain.

It is proposed to set up a permanent body later on composed of 40 persons, which would be divided as follows: 8 for the Atlantic provinces, 8 for Quebec, 8 for Ontario, 12 for the prairie provinces and 4 for British Columbia.

That is all I wish to say about this institute of communications, which appears to me to have not only an excellent objective to perform, but can be of tremendous assistance in this field of research and communications education. I should like to simply ask the minister, in conclusion, to give consideration to a grant in aid of this institute, because there are in his department, as he will see, many groups and associations of this kind, all of which I am sure are meritorious, but this one, too, deserves consideration, and the amount which would be required to assist it in the excellent work which it is performing, is small in comparison with what is provided in other fields.

Mr. Broome: Mr. Chairman, may I ask the hon. member a question?

Mr. Chevrier: Yes, certainly.

Mr. Broome: Would the hon. member not agree with the Department of Transport, that the complexity of an airplane is a much better and more accurate yardstick by which to judge the number of personnel required than the one he has suggested? Second, did I interpret him correctly when he said we would be forced to adopt United States regulations if we were to fly into United States ports?

Mr. Chevrier: Mr. Chairman, the hon. gentleman has a habit of misinterpreting and misunderstanding me when I speak. I am sure that it is not done voluntarily to the slightest degree. I did not make the statement contained in his second question. I did say, however, that it might well lead to serious complications between the two countries if, for instance, the Canadian Air Line Pilots' Association, and some similar body in the United States, might both feel it would be difficult for T.C.A. to fly its planes to United States soil because of regulations which were different than those which were established by Canada, and we would then be in serious trouble. That is the type of trouble I am sure should be avoided now.

As to the first question the hon. gentleman asked, I need hardly tell him that I usually have the greatest confidence in the officials of the Department of Transport.

Mr. Broome: And in the minister?

Mr. Chevrier: And in the minister as well, if that will please him. I have a great deal of respect and admiration for the present minister, as I have had for every minister of transport since I held the portfolio myself. I brought this matter to his attention so that he could give it the consideration which I think it deserves.

Mr. Hanbidge: Mr. Chairman, I wonder whether I may be allowed to ask the hon. member a question before he resumes his seat?

Mr. Chevrier: Certainly.

Mr. Hanbidge: The hon. member has mentioned the Warsaw protocol, and I should like to know whether the case he cited referred to an action for negligence against the air line company rather than an action for damages against the insurance company.

Mr. Chevrier: I think it is the latter.

Mr. Hanbidge: You mean an action against the insurance company?

Mr. Chevrier: My recollection is that the damages for $8,300, were paid by the insurance company. I do not see reference to this in the editorial, but I am of the impression that the insurance company, under a subrogation clause contained in the contract, instituted proceedings against the air lines.

Mr. Hanbidge: It would not be of much use to take out an insurance policy for $100,000, would it?

Mr. Balcer: That is a different thing involving a contract between two persons.

Mr. Chevrier: I think there is another point involved which arises, because it depends on where the individual is going. This is a case affecting an international flight, wherein the Warsaw convention, and not protocol, was brought in as a defence in United States courts, and was successful in that not more than $8,300 should be paid the plaintiff.

(Translation):

Mr. Keays: At the outset of my remarks, Mr. Chairman, I should like, on behalf of my constituents, to commend the hon. member for Three Rivers (Mr. Balcer) and to tell him how proud we are of his appointment to the post of Minister of Transport. He deserves our heartiest congratulations for the efficient manner in which he heads his department.

(Text):

The policies of certain branches of the Department of Transport deeply affect my constituents who are, and I think justly so, very interested in any action taken by the government in so far as it affects their transportation problems, especially those of the sea.

This island gem sits in the centre of the gulf of St. Lawrence, and has faced transportation problems for many years.

Some 50 years ago the first mode of transportation from the island to the mainland was the launching of a cask in which was placed a letter addressed to the postmaster general of Canada informing him of the immediate need for steamship connections between the mainland and the islands. This letter also requested that if they could not send the answer by boat to send it back in the same cask. If I am forced to speak about those problems today it is because of an article appearing in *La Presse* of Montreal some three days ago, which is entitled:

(Translation):

Quebec approaches Ottawa—Answer being sought to the problem of the Magdalen islands.

(Text):

The minister of transport and communications of the province of Quebec was telling the Quebec legislature that he was coming to Ottawa to solve the water transportation problems of the people of my constituency. I had never intended to tell this house about the problem and what this government has done toward a partial solution of this water transportation difficulty. During the fiscal year 1960-61 the federal government contributed to Clarke Steamship, which operated a passenger-freight service between Montreal, Quebec, Gaspe and the Magdalen islands, a subsidy in the amount of $259,077. The provincial government contributed $64,700 as a subsidy to this transportation company. In the same year the federal government paid to the Magdalen Islands Transportation Company, operating from Pictou to the island as well as Charlottetown to the island, a subsidy in the amount of $174,000 and in the same year to C.T.M.A., operating from the Magdalen islands an amount of $6,667 for service between Cheticamp and Halifax. Clarke Steamship withdrew their services from Montreal to Quebec to the islands because of the decision of the Canadian maritime commission that no more subsidy should be paid owing to the fact that there were alternative, better or cheaper, means of transportation. The Magdalen Island Transportation Company also withdrew their boat plying between Pictou and the island because of its age, and the C.T.M.A. existing service in that area has plied between Cheticamp and Halifax for many years. The people of those islands have been requesting better transportation to and from the islands from various governments. As the committee will readily realize, there are only two possibilities, transportation either by air or by sea. The people requested more frequent trips between the islands and different ports in the maritime provinces, and also a better boat to carry cars to and from the island.

Over a number of years many petitions were sent to different governments and this year this government acceded to the request by inviting different transportation companies to tender on the service between Pictou and the islands, Charlottetown and the islands, Souris and the islands. Clarke Steamships were the lowest tenderers and received permission to do this work and also a subsidy of $298,000.

This has been a great improvement in so far as transportation to the island is concerned, Mr. Chairman, because it permits the transportation of passengers and freight as well as making it possible to bring fresh meat to the island owing to the existence of refrigeration on the ship *North Gaspe*. Instead of having two trips per week they now have three, and during the months of July, August and possibly September, four trips from the mainland to the islands. Let me assure you, Mr. Chairman, this is appreciated by the people of the islands and it gives them an opportunity to get out during the fine season of the year or to have their relatives visit them during the same season.

However, there are other problems which arise when you wish to have more frequent trips. One of these problems has been the elimination of the stop at Grande Entrée on the east end of the island. I do hope that eventually this problem will be solved and that the government's wish to improve greatly the service will be realized and that, if requested, a study will be made of the possibility of operating a roll-on roll-off boat service to the Magdalen islands. When this happens I hope that many of the water transportation problems will be solved.

Apart from the subsidy of $298,000 granted to the Clarke Steamship Company, there is also another service which has been subsidized, namely the one operating between the Magdalen islands and Halifax passing through Cheticamp, Nova Scotia. The C.T.M.A. have received a subsidy of $30,000 to operate this service. They have also received a subsidy of $30,000 to operate a service between Isle Madame, Guysborough and Canso, Nova Scotia. At the moment this is strictly a freight service, but I am sure that with the new policy enunciated by the Minister of Transport recently concerning subsidies toward the construction of ships that the people who operate this service will take advantage of these grants to build other ships to give bigger and better service to those islands so far off the shores of the mainland.

There has also been another subsidy granted, and that was for a service in the gulf. The federal contribution to this service is roughly $42,500. Another subsidy is also being promised to another service between

Montreal, Gaspe and the gulf. Naturally this subsidy is conditional upon the province paying an equal or larger amount.

The geographical position of the Magdalen islands forces the people there to bring in much of their merchandise from maritime ports. However, in turn the maritime provinces take fish products from our islands. You will realize, therefore, that the federal government has made a very large contribution toward the solution of the water transportation problems in my constituency.

The only other problem that seems to be of any concern is the transportation of passengers from the cities of Montreal and Quebec to the islands. I believe this can be accomplished much better by improving the air service to the islands. Unfortunately the provincial government thought it right to cancel the subsidy previously granted to a local air transportation firm operating out of Gaspe, namely, Trans-Gaspesian Air Lines, and as a result of this action the air line will eventually be forced out of business. The people of the Magdalen islands are eager to maintain their relations with the people of the province of Quebec generally and are able to travel by this air line between the mainland of Quebec and the islands. If the government of the province of Quebec is deeply concerned about the passenger transportation problem and if the minister of transport and communications of the province of Quebec is going to come to Ottawa for additional subsidies to carry merchandise to the islands, I suggest to the Minister of Transport that possibly he should go to Quebec and ask his counterpart in the provincial legislature to contribute something toward the transportation of people to the islands.

While the article in question is not in a sense derogatory so far as the federal government is concerned, I note that there is an impression that the federal government has not done anything with regard to the transportation problems I have mentioned. Let me point out, Mr. Chairman, that during the year 1960-61 the federal government contributed by way of subsidies directly affecting the islands an amount of $439,744 while the provincial contribution was $104,700. During the year 1961-62 to date the federal government has contributed $420,500 but now no grant is given by the provincial government. I believe the provincial government should also contribute to the bettering of the transportation services between the islands and the mainland.

It may also be interesting to note that to date the federal government has contributed to the province of Quebec a total of $821,123 in subsidies. I will admit that the province is always looking for more but I believe the federal government has made a very worthwhile contribution.

Mr. McGrath: May I ask the hon. member a question? Is the total figure he gave of $821,123 on a yearly basis?

Mr. Keays: It is on a yearly basis. Before resuming my seat I should like to commend the officers of the Canadian maritime comission who have the tremendous task of deciding exactly what amount of subsidy shall be recommended for any petitioner. All hon. members will know that the subsidies are based on the difference between revenue and the operation, depreciation and administration costs of the ship in question. I think that this year the federal government has done a remarkable job in that the Minister of Transport has saved the federal treasury an amount of approximately $60,000 while at the same time providing these people with better transportation facilities. Examples such as this are common with this government and I hope they will continue to be.

Mr. Pickersgill: Mr. Chairman, since the time this afternoon is obviously going to be used up anyway, there seems to be a good deal of reason for having some of it used by the opposition. I have some things I wish to say and I will dispense with congratulations to the minister. I might make a suggestion to the minister through you, Mr. Chairman. Possibly he might ask all his colleagues to have their congratulations simply printed in *Hansard* without being delivered in the house because I am sure we could save at least a day in the session this year.

Mr. McGrath: You should do likewise with your congratulations of yourself.

Mr. Pickersgill: The hon. member says that any congratulations I make of myself might be omitted. They will be. I noticed the interest that the hon. member for St. John's East showed in the subsidies that the hon. member for Iles-de-la-Madeleine pointed out were being paid annually to the various services in the province of Quebec. I am sure what was going through the hon. member's mind was what went through my mind at that moment, namely, what an extraordinary long time it has taken the treasury board to complete consideration of the proposal for an east coast ferry that was before treasury board in August of 1959 during the course of the provincial election in Newfoundland.

At that time, as the hon. member for St. John's East and the hon. member for St. John's West will no doubt both recall, the then leader of the Conservative party in Newfoundland made a public statement to

which I wish to refer. I am not sure whether he is still leader of the Conservative party. He is not in the legislature and I do not think they have bothered to choose a leader since. In any event, when Mr. Hollett was the leader he made the public statement—

Mr. McGrath: Would the hon. member permit me to interject to keep the record straight?

Mr. Pickersgill: I am not so sure I would not rather have the interjection without the extra phrase because I do not think it will keep the record straight.

Mr. McGrath: First of all, Mr. Chairman, I referred at length to the east coast ferry in my remarks yesterday, I believe, during this debate. My main reason for interjecting at this point is to deal with the hon. member's reference to the previous leader of the Conservative party in Newfoundland. He was in fact the house leader and we have a house leader of the party right now in Newfoundland.

Mr. Pickersgill: In other words, I was quite correct that there is no leader of the Conservative party in Newfoundland at all. That is what I suspected.

Mr. McGrath: On the contrary.

Mr. Pickersgill: It is too confusing for me, sir, and no doubt that is why it is so confusing for the electors of Newfoundland. Whether they have a leader or whether they have not a leader seems to make very little difference. This, I realize, has nothing to do with the minister's estimates. What has to do with the minister's estimates is that this very estimable gentleman, Mr. Hollett, who was in the last legislature but is not in this one, gave a solemn assurance to the people of Newfoundland that, at the very moment, the treasury board was giving consideration—that was two years ago—to a proposal for an east coast ferry. So far as we know, the east coast ferry is a lot farther from the treasury board now than it was then. I am just wondering if there is any real project for an east coast ferry or if the government intends to wait until after the final decision has been made about the dissolution of this parliament to give us another promise for another election.

Mr. Browne (St. John's West): The hon. member should ask his colleague how long it took to get the *Carson* on the go.

Mr. Pickersgill: I know how long it took to get the *Carson* on the go. I know some of the reasons why it took so long to get the *Carson* on the go. As the hon. gentleman knows full well, there is nothing on the drawing boards or anywhere else in respect of this east coast ferry. There is still argument as to whether or not one will be built at all. I have no doubt that every time the question gets anywhere near the Minister of Finance he turns thumbs down on it. I have no doubt, sir, that as has happened with so many other projects, the only time we will hear anything that appears to be definite about this project will be about the time of dissolution of this parliament. Even then, it will be pretty "iffy", as most of these promises are.

However, the point about which I rose to speak was something quite different. I merely referred to this because, like the hon. member for St. John's East, I was rather struck by the disparity between the wonderful treatment given to the Magdalen islands, according to the member.

Mr. Keays: We have not got a good air service.

Mr. Pickersgill: I know the hon. gentleman wants still more. At the present time, the government seems more concerned about improving the service between the Magdalen islands and Prince Edward Island than it is about giving that air service to the Magdalen islands the hon. member asks for. Perhaps if the hon. member would resign his seat and cause a by-election, he could get that air service for the Magdalen islands. Perhaps he would not think that too great a sacrifice to make. He could emulate his colleague the hon. member for Restigouche-Madawaska, who is reputedly getting an airport for his constituency, although nobody knows where that airport will be built. I suspect nothing more will be heard about it after May 29.

Mr. Drysdale: To whom is the hon. member referring?

Mr. Pickersgill: I was referring to that gentleman to whom the Prime Minister always referred as "my friend Charlie, who is so badly needed in this house".

Mr. Drysdale: The hon. member has been talking so much about resigning that I thought perhaps he was thinking of resigning.

Mr. Pickersgill: What I rose to speak about, sir, was the service given in Newfoundland by Canadian National Telegraphs. Under the terms of union, the telegraph and telephone services, which were operated by the department of posts, telephones and telegraphs of Newfoundland, were taken over as a federal service by the federal government. The telephone services, apart from those telephone services that were provided by the Avalon Telephone Company and one or two other companies, were taken over by Canadian National Telegraphs. I know there has been some criticism of Canadian National

Telegraphs and I have, at times, criticized them myself, even when I was in office. However, I do want to say here that I think this organization has made a tremendous effort—on the whole a successful effort—to improve service in Newfoundland.

Mr. Browne (St. John's West): Since we came into office.

Mr. Pickersgill: Ever since 1949. I have noticed no difference whatever, for the better or worse, since the hon. gentlemen came into office. I assume that hon. gentlemen opposite treat the Canadian National Telegraphs in the same way as their predecessors did, that is there is no political interference. I assume that, and I hope my assumption is correct.

Mr. McGrath: You should know it is correct.

Mr. Pickersgill: I do not know it is correct because obviously the hon. member for St. John's West, the Solicitor General, was trying to imply it was not correct and there was some political interference. He was implying this government had done something about it that had not been done by the previous government.

Mr. Browne (St. John's West): I am interjecting to say that I think the hon. member has no cause to complain against Canadian National Telegraphs. They are doing a good job in his district.

Mr. Pickersgill: They are doing a good job all over Newfoundland, and that is exactly what I was saying. There seems to be no quarrel between the hon. gentleman and me, except possibly in semantics and, perhaps, that is an obstacle to communications. As the hon. gentleman knows, there are much more serious obstacles to communications in Newfoundland than semantics. There are tremendous practical difficulties in the building up of communications in Newfoundland.

When I say that I am not complaining about Canadian National Telegraphs but on the contrary I am commending them for the tremendous improvements that have been made since 1949, both in telegraph and telephone service I am rising to make a suggestion to the minister. I know that we on this side are accused by the government of making no practical suggestions. I have a highly practical suggestion to make to the government, and it is this. As a part of next winter's winter works program, the government should undertake a real blitz in Newfoundland to expand telegraph and telephone service, especially telephone service. The only reason they are not expanded faster is that Canadian National Telegraphs have a certain budget each year; that is the only reason.

Now, eight or nine years after confederation, when everybody knows that because of Korea and other things, there was a tremendous shortage of electronic and telephone equipment and it was very hard to get. This is not the case today. There is no lack of any of the things that are necessary to modernize the telephone and telegraph services except money. There is labour there. There is timber in Newfoundland, and there are the plants on the mainland which make the wire and the instruments. Everything that is needed is available in this country, and the lack is enough money. I believe the Canadian National Telegraphs, like the Canadian National Railways system, is supposed to be run as a business enterprise. I approve of that. They should be run as business enterprises, and if possible they should pay. However, the Canadian National Telegraphs cannot be expected to bear the burden of any additional costs which would be incurred by putting on a real push.

What I am going to suggest to the government is this. The government, as a winter works program, could pay half the labour cost of all the additional work that the Canadian National Telegraphs could do in order to modernize in all parts of Newfoundland, just as if the Canadian National Telegraphs were a municipality. In that way they could keep down their costs. The government could also provide an additional budget for next year as part of this program to stimulate employment, and they could get on with this job a great deal faster than has been possible with the limited budget up until now.

If this were done, two things could very well be undertaken in the wintertime as well or better than at any other time. One would be to get out the poles. It would be far better to do that in the wintertime, but you cannot get out the poles unless you know for sure they are going to be used next year to open up the lines. Also the stretching of the lines could be done just as well in the winter as any other time.

Mr. Browne (St. John's West): Mr. Chairman, does the hon. member seriously mean that?

Mr. Pickersgill: Yes, I do seriously mean that, and this is a subject about which I am reasonably well informed.

Mr. Balcer: The hon. member is endorsing our winter works program.

Mr. Pickersgill: No, but I am suggesting a winter works program that would really work.

Mr. Balcer: It would be on the same principle as our program.

Mr. Pickersgill: I am suggesting—

Mr. Balcer: I think the hon. member is right; it was a great success.

Mr. Pickersgill: Mr. Chairman, I really cannot object very much to the minister interrupting me occasionally because I myself have been known to interrupt once or twice in the house. But of course I did not say anything of the kind.

An hon. Member: You never do.

Mr. Pickersgill: I have said, and I say again, that the winter works program is inadequate, but I have never condemned the winter works program in itself; I have merely said it is inadequate. I am trying to suggest to the minister one way in which he should give his colleagues, the Minister of Labour and the Minister of Finance—he is the real obstacle, as we all know—a real push and make the winter works program much more adequate than it now is.

The difficulty we have in Newfoundland—and it is greater than in any other province, as hon. members from Newfoundland know—is that there are very few organized municipalities. In Newfoundland there are not the means of providing work in the areas where it is most needed. I refer to the outports of Newfoundland. There are not, in most cases, the means of having these shared programs with the municipalities.

However, there is in the C.N.T. an organization which urgently needs to be modernized; they urgently need this modernization speeded up. They are well capable of directing this activity; they have very competent officers. This would give them no difficulty. I wager that if they were told now, not next fall, that their budget was going to be doubled—it is no use telling them next October—they would get ready and obtain the men and contractors to do this job.

They could have the men organized to get the poles out and get the whole thing planned so that this job could be done on a much larger scale than has been the case in the past. It would cut down the drain on the unemployment insurance fund and relief; it would give useful work to a great many men during the fall, winter and spring, and it would provide a service which pays when it is provided in most parts of Newfoundland. It is not as though this service were losing money. Most of the C.N.T. service in Newfoundland is a paying proposition. I will admit that there are a few lines into a few remote places which do not pay, but most of them do.

Therefore this would not be wasting money, as we have to waste it now on relief and get no return for it.

Mr. Martin (Essex East): The Solicitor General does not agree.

Mr. Pickersgill: I do not care very much whether or not the Solicitor General agrees. I am dealing with facts, facts that are very well known to those of us with experience of the outports of Newfoundland.

Mr. Charlton: Do you not have snow and frost there in the wintertime?

Mr. Pickersgill: Of course there is snow and frost there, but as the hon. gentlemen must know—it has been true in the history of Canada for 300 years—men have gone out into the woods in the wintertime to cut timber. There is nothing new about that; and that is one of the biggest parts of this proposal for speed up and expansion of the C.N.T. capital program.

Mr. Charlton: Mr. Chairman, the hon. member for Bonavista-Twillingate must have misunderstood me. I was referring to building lines in the wintertime. I suggest that the hon. member's province has some snow and frost and it may be difficult.

Mr. Martin (Essex East): One always has snow and frost in the winter.

Mr. Pickersgill: One does not always have snow and frost in the winter, notwithstanding what my colleague, the hon. member for Essex East, has said. Three winters ago, when we had a premature election foisted upon the people of this country, there was no frost and snow in Newfoundland until after the end of March. Hon. gentlemen know that well and thank heaven there was not, because it would have made it impossible for them to have carried out their campaign. There are often open winters of that kind in Newfoundland.

However, the fact that the ground is frozen is not at all an obstacle to the building of a line. It is very frequently much more difficult in the springtime, when the roads are soft and when the bogs are wet, to do these things than it is in the wintertime.

The fact of the matter is, as I have just been reminded by my colleague from Laurier, that a radar line was built in Newfoundland in the wintertime not so very long ago. A great deal of construction goes on now all over this country in the wintertime.

I say that if the government, through this winter works program, would make a contribution to the labour costs, and if they would increase or, say, double the budget of the C.N.T. and really get on with this job, it would be a contribution to the economy of Newfoundland and would reduce the number of unemployed next winter. Also, it would be a largely self-liquidating project.

Mr. McGrath: Mr. Chairman, would the hon. gentleman permit a question?

Mr. Pickersgill: Certainly.

Mr. McGrath: Why did not my hon. friend's party undertake this program when they were in office from 1949 to 1957?

Mr. Pickersgill: I have already answered that question, but I will be delighted to answer it again for the benefit of the hon. gentleman, who apparently was not following very carefully.

In that period there were two very good reasons why this was not done. Up until about two years before the former government went out of office there was a shortage of electronic equipment and other equipment of that sort. I know this very well because I was pressing the C.N.T. all through this time to modernize, and they could not do it because they could not get the equipment.

But this has not been true since about 1955 or 1956. However, as everybody knows, in the years 1955 and 1956 there was no serious problem of unemployment, even in the winters of 1955-6 and 1956-7.

Some hon. Members: Oh, oh.

Mr. Pickersgill: Of course, that is why there was no—

Some hon. Members: Oh, oh.

Mr. Pickersgill: Well, the statistics have been put on the record often enough that if the hon. gentlemen could learn, they would have learned that fact long ago. This is precisely why the people of this country are so fed up with Her Majesty's present advisers. We did not have winter works programs, because they were not needed. I hope I have answered the hon. gentleman's question.

Mr. MacEwan: Mr. Chairman, would the hon. member permit a question?

Mr. Pickersgill: Certainly.

Mr. MacEwan: Would the hon. member say whether he has any old lumber on his own property in Newfoundland that he would offer for use as telephone poles?

Mr. Pickersgill: I regret to have to say that although I own a house in Newfoundland, I do not own the land on which the house is situated; it is merely leased. So there would be no way, that I can see, in which I could possibly profit by this program except as a Canadian citizen.

Mr. McLennan: Mr. Chairman, if the hon. member for Bonavista-Twillingate will allow me, I should just like to say one word of congratulation to the minister on the fine work he has done in introducing the shipbuilding program. This will be very beneficial to the west coast of Canada. I am sure the minister is doing an exceptionally good job in the position he is now occupying. That is perhaps worrying the opposition a little bit, but I am sure the minister will be there a long time and as time goes on his stature will increase. I wish him all the luck in the world in his new position.

In British Columbia we have quite a sizeable river, the Fraser, which I think is as important to the province of British Columbia and the west coast of Canada as the St. Lawrence is to the east coast. Undoubtedly, in the last number of years, many years as a matter of fact, I do not think it has ever been recognized as being of the importance that it has, and has never had the same consideration as has been given to the ports of eastern Canada. However, I think this government, from what they have told me, have recognized its importance and are going to see it gets a square deal. It is undoubtedly the largest fresh water all year round port in North America and possibly one of the best fresh water and year round ports in the entire world.

In the last calendar year the port of Westminster—actually it is called New Westminster—which is the home port of the Fraser river, has had close to 600 deep-sea ships and with a little bit of development it could triple its importance; and now with the great work that the Minister of Agriculture is doing in selling wheat to the Orient, with a little further development the Fraser river could become the Liverpool of North America.

There are some 70 miles of deep-sea shipping facilities on both sides of the river. That would make approximately 140 miles of potential docks and in the municipalities of the delta, Richmond, Surrey, New Westminster, Coquitlam, Langley and possibly Maple Ridge, there are thousands of acres bordering the river which are ideally suited for industrial plants. I am sure the municipalities there are willing to co-operate with the government in the development of the river and the development of this land. True, we have the port of Vancouver but it has got fairly well filled up and the only place on the lower mainland to go for a real port is the Fraser river which requires development.

Since coming to this house I have been advocating to the department the establishment of a Fraser river harbour commission or a Fraser river authority with jurisdiction over the deep or navigable part of the river. I would urge the minister—I know he is well aware of this because I have spoken to his officials on several occasions—to establish this commission with representation as wide as possible from the municipalities which are interested in the establishment of the

ports on the Fraser river. In any of these areas if there is an industry established or any development done it helps that portion of the area as well as all the lower part of the mainland of British Columbia.

I should like to bring to the attention of the minister a matter which has already been referred to on several occasions, namely the menace which the present river bridge creates to river navigation where it crosses the Fraser at New Westminster. This bridge is a swing span which narrows down the channel for deep-sea ships. I realize it is an old bridge and possibly not worth while spending a great deal of money on but I would suggest that consideration be given to building a new bridge possibly in a different location because the one that is there now is in the wrong location. If not, and the old bridge is suitable for years to come, I would suggest the minister give consideration to taking out the swing span and putting in a lift span so as to improve the navigable part of that river.

I should also like to bring to the minister's attention the proposed Brookswood airport site which is in southern Surrey, two miles from the international boundary. I understand this is the most fog-free part of the whole Fraser valley, or of the west coast as far as that is concerned, and would make an ideal site for a light plane base or a supplementary airport to Vancouver airport. I think it would be good business on the part of the government to purchase this land before it is built on or developed because it is the only place of any size that is available in the whole area and it will be much cheaper to buy now than some day in the future when the area has been developed and this part of the country has been built up. Thank you, Mr. Chairman.

Mr. Drysdale: It is with a great deal of satisfaction I follow my hon. friend from New Westminster. We in British Columbia stick strongly together, and it is a pleasure to be following him at this time. With the permission of the hon. member for Bonavista-Twillingate I should like to extend my sincere congratulations to the Minister of Transport and, if I may, to congratulate him on his patience in enduring the many suggestions he has received in the past several days. I think the diversity of the suggestions, their depth and number, indicates the size and importance of the Department of Transport.

I should like to draw his attention to one or two matters which I think are of prime importance. First, I want to say that I think one of the most significant and important speeches made recently was the one given by the Prime Minister at the convocation at Dalhousie on May 19 during the course of which he made the suggestion that an international space agency be set up—an agency which would be representative of scientists, lawyers and educational institutions, one which would have the objective of safeguarding free and equal access by all nations for space exploration.

The Prime Minister made what I consider to be another sound suggestion, and that is the establishment of an international space year, in his words, so that a full study may be made of the demilitarization and utilization of outer space.

Mr. Martin (Essex East): How does this come under these estimates, interesting as the subject matter is?

Mr. Drysdale: I thank the hon. member for Essex East for his remark and I shall now show him the connection. I wish to refer to the remarks of the hon. member for Laurier. At page 4759 of *Hansard* he indicated he thought the transport department should be divided into two parts and in his suggestion he thought there should be a minister of air and, of course, a minister of railways and canals. A similar suggestion was made by Mr. Grant McConachie, president of the Canadian Pacific Airlines several months ago. I think the hon. member for Laurier took the attitude he did primarily on the basis of a breakdown of the work load. As a former minister of transport he realizes the extensiveness of the department and the burden on the minister. But I should like to approach this from a different aspect. I agree that there should be a breakdown in the department but I should like to see the establishment of a minister of aeronautics and space. The minister of that department would have the responsibility for all matters dealing with civil aviation, telecommunications and meteorology, as well as the workings of the national research council in respect of space development. I understand too it is hoped that Canada will send a satellite into space using a United States rocket for propulsion and I think this type of work would come under the direction of a minister of such a department.

Perhaps hon. members are wondering why I suggest this at this particular time. I do so because I feel Canada is in a unique position. The city of Montreal is the centre for the international civil aviation organization and the international air transport association, both of which are vitally concerned with travel in space. The McGill institute of air and space law is also located in the city of Montreal. Coincidental with this, we have two or three large prestige buildings being constructed in Montreal at the present time, and I would suggest that

one of these, such as Place Ville Marie, would be the location for the organization such as the Prime Minister has suggested. I do not believe this organization could be situated in a better place than Montreal. Canada is a nation of rationality and neutrality and, considering that along with the fact that these two world-wide organizations, I.C.A.O. and I.A.T.A. are already established in Montreal, which indicates the importance of that city, with its proximity to New York and the United Nations, I feel that this is sufficient justification for this important step. I feel that the Canadian government should take the steps necessary to establish such a ministry.

I suggest Canada has already taken the leadership in establishing these organizations in Montreal, and should again take the leadership by organizing an international space year, and thereby assist in establishing Canada's leadership among the nations of the world. The international geophysical year produced excellent scientific co-operation among the scientists of the world, and I suggest that similar co-operation will follow the organization of an international space year. I suggest that this should be brought about as soon as possible, and that Canada should take the lead in this field.

I should now like to turn to matters of perhaps purely local concern. In British Columbia there exists what is known as the Vancouver international airport, although it is located on Sea island, just outside the city of Vancouver, entirely within the municipality of Richmond. On June 21 of this year we are having another referendum to decide whether the city of Vancouver is going to sell the airport, or whether it is going to proceed on its own with the construction of a $15 million air terminal. I have looked with a certain amount of jealousy and a profound amount of admiration at the excellent facilities at Dorval, and feel that it is imperative at this time that similar facilities be provided at the Vancouver international airport.

We have a rather interesting situation there in that the city of Vancouver owns approximately 475 acres of that airport, while the Department of Transport owns some 2,450 acres. The city acquired the airport some 30 years ago and to date has made capital expenditures amounting to $1,675,000, while the Department of Transport has spent $12,490,000. I emphasize these tremendous amounts of capital expenditures because there has been misleading information given to the voters in the city of Vancouver to the effect that the Vancouver international airport is a gold mine and should be retained by the city. The city of Vancouver has the advantage of the federal government making the majority of the capital expenditures, taking care of the major part of the maintenance and, through leases from the Department of Transport, the city is able to charge landing fees and sell aviation fuel, which amounted to a revenue of some $400,000 in 1959, which was clear profit, not required to be handed over to the federal government. In 1959 it was estimated that if operating costs paid by the city and the Department of Transport were combined, the net loss in that year would have been some $850,000.

A referendum was held in 1954, in which 59.4 per cent of the voters voted to sell the airport. Approval of 60 per cent of the voters is required to effect such a sale. In December of 1960, another referendum was held in which 57.7 per cent of the voters were in favour of the sale. At present the majority of the city of Vancouver council members are in favour of selling the airport, as are the members of the board of trade and other organizations. I raise this matter at this time because another referendum is to be held on June 21, 1961. The city of Vancouver, which owns 475 acres of the property, has been unable to effect the sale to this date.

There is a proposal to establish a $13 million to $18 million jet terminal, and I am interested in this matter because it concerns the whole of the lower mainland of British Columbia as well as the city of Vancouver. I hope the citizens voting on this referendum will realize the obligations which the city must accept if the airport is not sold, and will realize the benefits which will accrue to the people of the lower mainland with the establishment of this jet terminal.

In respect of Sea island, I should like to direct the minister's attention to the fact that it is serviced from Lulu island in the mouth of the Fraser river. Present access to Sea island and the international Vancouver airport, as well as the Royal Canadian Air Force base, is by means of the Oak street bridge to Lulu island, and over the Moray channel bridge to Sea island. Some 3,000 residents live on Lulu island at the present time yet the only access to Sea island and Lulu island is by one bridge, the Moray bridge. The Eburne bridge was the responsibility of the provincial government but, due to the deterioration of this particular bridge, the provincial government decided to close it on March 13, 1961, as a result of which the Moray channel bridge, which is a two lane swinging span bridge now operated by the bridge attendants from the Eburne bridge, provides the only access to Sea island. This bridge must be opened at varying times to allow the passage of tugs and barges on the

river. I made a visit one Saturday afternoon during the last Easter recess and was fortunate, or unfortunate, depending on how one looks at the situation, in approaching the Moray channel bridge at a time when it was opened to allow tugs and barges to pass. Apparently the tugs and barges have the right of way and, although the bridge was only open for some 15 minute at that time, I counted 50 cars on my side of the bridge and 60 on the other east side waiting to go across.

I suggest this situation is of great concern because the bridge on occasion has been blocked for maintenance and repairs as long as five or six hours, as a result of which Sea island was completely isolated. This is of great concern first of all from the point of view of national defence and, second, because of the great inconvenience caused travellers going to the Vancouver international airport.

Recently a firm of consultants, John Graham Ltd., made a traffic analysis on behalf of the municipality of Richmond. I should like to list certain figures contained in this report in connection with the Vancouver international airport. The number of passengers carried in 1958 totalled 850,000; in 1960, 1,050,000. The estimates for 1965 are, 1,600,000; 1970, 2,300,000; 1975, 3,100,000; and 1980, 4,100,000.

On page 38 of the John Graham Limited report it is recorded that the volume in 1960 peak hours exceeded the practical capacity of this bridge. According to the various ministers concerned, the bridge was constructed to provide access to the federal government properties on Sea island. I would suggest that this bridge is not performing its function.

On the same page of the report there is a recommendation that a four-lane bridge should be constructed between Sea island and Vancouver. I submit that the Minister of Transport should give very serious consideration to this suggestion and I think he should also investigate my alternative suggestion of a tunnel under the Fraser river, going directly from Granville street to Sea island. I feel that it could be and should be the responsibility of the federal government to provide this necessary and much needed access to the facilities at the Vancouver international airport. In the event that the federal government becomes the owner of the international airport on June 21 the minister should give even more serious consideration at that time to the suggestion of having at least a bridge or a tunnel connecting Vancouver and Sea island. We have a precedent at the present time. The provincial government has constructed the Oak street bridge which goes on to Lulu island from Vancouver and the Deas island tunnel which goes under the Fraser river into the Delta area. I think the minister should give this matter very serious consideration because the Vancouver area is the gateway to the east and to the Orient. It is an expanding and developing area. Thank you, Mr. Chairman.

Mr. Bigg: Mr. Chairman, government departments inherit the promises and often the problems of their predecessors. This department is no exception. Sometimes a candidate in his ignorance increases those responsibilities on the part of himself and his party and when he comes to Ottawa he gets a rude awakening. I had this.

The C.N.R. has failed to close a gap in northern Alberta and northern Saskatchewan in its railway line. When one looks at the map he sees it is so obvious it is an uneconomic and shortsighted way to run a railway that I took it upon myself to promise the people of my constituency that as soon as I got to Ottawa I would look into this thing and no doubt with the proper amount of pressure something could be done about it. Well, I think I have exhausted my resources in this matter. I put all the pressure possible on the department concerned. I was sent to Montreal with a mandate to interview the top brass of the C.N.R. On arrival in Montreal I got what I believe is the usual treatment a backbencher gets from the ivory tower. I would say if you can believe it that the attitude was one which no servant of the crown should offer to a sitting member, particularly if that member comes in a spirit of co-operation, looking for information rather than offering unsolicited advice on how to run a railway.

Before I was able to outline the problem from my viewpoint and ask the necessary questions it was suggested that I return to Alberta, mind my own business and forget about the whole thing. Now, this is not why I was elected. I was elected because I am rather an aggressive person and my constituents really believed that when I got down here I would do a certain amount of rational fighting. If it has to be in-fighting I can do that, too. But I took a very calm and fact-finding approach to the problem and I found out that the top brass of the C.N.R. are not imaginative. Therefore, I put it up to the department to give serious consideration to placing as top brass and top management at the head of the C.N.R. people who will at least listen to the problem when it is presented from the district concerned.

Enough of this; I want to tell the committee what the problem is. The C.N.R. has a line north of the Saskatchewan river running easterly toward Saskatchewan, and a further

railway north of the Saskatchewan river for half the province. It ends at the town called Heinsberg, about 20 miles from the Saskatchewan boundary. Between there and the Saskatchewan boundary is open parkland with no engineering difficulties. The C.N.R. railway coming up from the east ends at about the same distance from the Alberta boundary in the same type of territory. In order to take freight from Heinsberg to Winnipeg it is necessary to go through Edmonton, an extra distance of 328 miles. The same would be true for any freight going from Frenchman Butte in Saskatchewan to Edmonton. You have to go a considerable distance into Saskatchewan and double back on the main line. I am not a railroader or I would have liked to take up the challenge to run the C.N.R. myself. I was asked if I would like to do that. I declined because I am not a railroading man; I am just a backbencher.

I do not know very much about railroads, but I know you cannot haul freight 328 extra miles and be efficient or make money for the people of Canada who are paying the bills. I was told that if I could show them on paper how they could make money by building this 40 miles of railway they would build a line. Well, I cannot prove that railroads will make money today but I do think that we can cut down our deficit. I do think that by cutting out the extra haul of 328 miles you could save the taxpayers of Canada a considerable amount of money which is now going into subsidies. I am disappointed that we pay this type of top brass $75,000 because I believe that a railroad man on a considerably reduced salary could put the C.N.R. back on its feet.

One of the most important things in running any organization is morale. Today the C.N.R. is completely demoralized. I have ridden on this line some dozen times back and forth to Ottawa and from the section foreman upwards there is great discontent in the rank and file. They are concerned about the security of their jobs being threatened and they do not like working for people who have lost faith in their own railway.

I say to the minister and members of the committee through you, Mr. Chairman, we should give serious consideration next week when the bill comes up which specifically deals with the brass to putting a new chief at the head of this railway. That is what I suggest we need. When we won the battle of Alamein it was largely owing to the personal leadership of General Montgomery. When Britain won the battle of Trafalgar it was because of Nelson. I think the time is long overdue to put a man at the top of the C.N.R. who loves his railway, a man in whom the rank and file of the railway would have complete confidence and to whom they would give natural loyalty.

(Translation):

Mr. Loiselle: Mr. Chairman, I am glad to note that the minister has returned to his seat, because I should like to deal with problems concerning the Department of Transport.

First of all, there is the problem of the Champlain bridge approaches on the north shore. Early in February, the new Montreal administration set up a committee to consider the northern approaches of Champlain bridge; the access roads to the Point St. Charles dump; a grant in lieu of a tax for Montreal harbour; the right of way for vehicles using Jacques Cartier bridge to reach St. Helen island; a proposed causeway leading to that island, as well as other problems of lesser importance.

This committee was formed of Mr. Guy Beaudet, manager of Montreal harbour and of Messrs. Lucien Saulnier, chairman of the executive committee, Lucien L'Allier, director of the public works division, Jean Lacoste, director of the traffic division, and Claude Robillard, director of the town planning division.

I have always insisted on better northern approaches to Champlain bridge which is now under construction, but which should have been open to traffic early in September 1962, according to the former minister of transport.

This project, as members know, was started under a Liberal government. As things are going now—and as I said even last year—I am still of the opinion that it is a Liberal government which is going to inaugurate it. Nevertheless, I want to mention right now the approaches which, to my way of thinking, are simply awful.

At present, on the north side and according to plans, all approaches converge to the entrance of Atwater tunnel. I have said it last year and I repeat it now, Atwater tunnel has been built to replace the bridge over the Lachine canal. This tunnel is already too narrow for rush hour traffic. I do not see how it could absorb all that Champlain bridge traffic on three lanes in both directions.

I said, last year, that this was disastrous. If the department persists in refusing to build additional approaches elsewhere than through the tunnel, I should think such an attitude would be shameful.

I said before and I stated earlier today and I repeat it now—it is absolutely impossible to see how three-lane traffic to and from Champlain bridge which is now being built, can be handled by a tunnel which is already too small to absorb the rush hour traffic.

This morning, I asked the Minister of Transport a question with regard to an agreement signed yesterday between the city of Montreal and the national harbours board. I would have liked to see that document in order to know whether it deals with the matter of approaches.

A press item says:

> Approaches to the Champlain bridge will, in the beginning, be at ground level.

What is the meaning of "in the beginning" and "ground level"? Does it mean that part of it will be at ground level for a few months and that, later on, some elevated lanes will be built in replacement?

All we know, is that an agreement was signed but we are not informed of its terms.

Again in the same article:

> The approaches in the city of Montreal are in two sections providing access and exit to and from the bridge into existent streets mainly through Atwater tunnel.

That is what I was saying. Once again, I think it is unbelievable that people should want to throttle Atwater tunnel and bottleneck our neighbouring streets with the traffic to and from Champlain bridge. I never understood, and still fail to understand, why we should have to go down on our knees and make endless calls in order to obtain anything whenever additional federal work is to be undertaken in Montreal.

Mr. Chairman, I remember very well that when the approaches on the south shore of Victoria and Jacques Cartier bridges were built, a remarkable job was done. As a matter of fact, approaches from and to the south of those two bridges are good. And it should be pointed out that it did not cost the municipalities concerned anything except in the way of land which belonged to them.

On the other hand, in respect of approaches on the north shore, in Montreal, the federal government's attitude is entirely different. Moreover, just to prove my statement, the approaches to and from Victoria bridge on the north shore are simply atrocious. Indeed, every evening, during the rush hour, i.e. from 4.30 to 6.30, Bridge street, which leads to Victoria bridge and Wellington tunnel from the east side are blocked. The Montreal authorities are planning to build the elevated highway at the intersection of Wellington and Bridge streets. This is a $2 million project, and I am not aware that the federal government has agreed to co-operate in any way. To build the elevated highway, the Montreal authorities will have to expropriate a whole side of Bridge street, which is a residential area, and here again, no subsidy is expected from the federal government.

Mr. Chairman, for three years now and again today, I have been deploring the approaches at the north end of Champlain bridge. As I stated a moment ago, and as I repeat now, it is a disgrace, and in view of the federal government's inaction, I call it a scandal. Can you imagine that people could decide to build a bridge costing millions of dollars, and make no provision for decent approaches?

It is like a painter who, having finished a painting, would store it in his attic for lack of a frame. We know that the frame often enhances the painting.

Again, sir, I hope that in the agreement signed with the Montreal authorities, provision has been made for approaches other than through Atwater tunnel.

On the other hand, I must recognize that this agreement includes a particular project which is very satisfactory to my constituents.

I refer to the agreement between the city of Montreal and the national harbours board for the construction of an access road to the Point St. Charles dump. This dump, which is located on the river shore in my constituency, has been a source of constant difficulties, and for 20 years every public representative has been asking that the dump be closed or that an access road be built so that trucks would not have to go through residential streets, as they do now.

I was somewhat surprised, however, that according to the latest information I received, an access road passing beneath Champlain bridge was to be built under this agreement with the federal government.

However, here is what I find in this morning's issue of *Le Devoir*:

> The executive committee also accepted an agreement whereby an access road to the Point St. Charles dump will be built under Victoria bridge.

Has a new solution been reached? That is all for the better. I am all the happier because the article further states, and I quote:

The chairman of the committee, Mr. Lucien Saulnier, stated that thanks to this agreement, garbage trucks will have disappeared from Marguerite Bourgeois street within a month.

Now, the people who live on Marguerite Bourgeois, a residential street, have always rightly complained about the fact that trucks carrying garbage or snow, use that thoroughfare to reach the dump.

In another field, namely the construction of the east-west super-highway, there is a problem to which the city of Montreal may not be giving proper consideration.

Indeed, the municipal authorities seem to feel that the only solution is to build a subway. Well, I do not share that opinion even though I sit on the city council. We have too many surface problems to settle and we could do that much more cheaply than by building a subway.

One of the most important projects is the construction of the east-west super-highway which will pass near the river, on federal property. It seems to me that the city of Montreal and the federal government should come to an agreement for the early execution of that project.

Such a super-highway would eliminate at least part of the traffic which must go through the city, whether eastbound or westbound. It would relieve traffic on Sherbrooke, Notre Dame, Dorchester, St. James and even St. Paul and the vehicles which now go through the harbour district could use the super-highway to go east or west, thus relieving the traffic on the streets I have just mentioned.

The more so since the Montreal transportation commission could inaugurate an express bus service on that expressway, similar to the service now established on St. Denis and St. Lawrence streets, to accommodate the east-west traffic and vice versa.

I hope that we will shortly see progress in that regard. In addition, I hope that the east-west expressway will be built as soon as possible.

Turning to another matter, Mr. Chairman, I would like again to call the minister's attention to a suggestion made by the hon. member for Maisonneuve-Rosemont (Mr. Deschatelets) yesterday, when he said that a lookout should be built in the vicinity of the harbour of Montreal in order that the people of Montreal may visit the place. As a matter of fact, I am sure that many Montrealers hear about the harbour but have never visited it and are not aware of what goes on there. We are aware of its facilities and we realize its importance. It is one of the largest ports in Canada, and it must maintain its importance. Montrealers must be able to get on-the-spot information on the port. To that effect, I should like to put forward again the following suggestion made by my colleague:

Even a lookout, like those that were erected at the time of the St. Lawrence seaway development, could be set up, so that, from a height of 50 feet, people could see all the activities of Montreal.

Even if certain suggestions are made by the opposition, I hope the Minister of Transport will kindly consider them, because we often heard in the past ministers asking for suggestions to solve various problems.

I think that for the last three days the minister has been getting suggestions, both from his colleagues on the government side and from members of the opposition, and I would be glad if some of the suggestions made by members of the opposition were accepted or at least that they be given favourable consideration.

In closing, I should like to point out another suggestion made about certain problems in Montreal, and which concern the federal government. It is about the setting up of a committee or commission including members of the Montreal administration and other persons appointed by the federal government.

I said a moment ago that Mr. Beaudet and some members of the Montreal administration were members of a commission. After three or four months' sittings, recommendations were made, which, although not perfect, have none the less facilitated the settlement of three or four problems in Montreal.

Allow me, Mr. Chairman, before resuming my seat, to remind the minister that I insist on the proper development of the southern and northern approaches to Champlain bridge. I do not know the terms of the agreement, but the minister promised me this morning that he would table it in the house as soon as he received it. The tunnel can take care only of the normal traffic. It is already too small and it is no use building a six-lane roadway if the tunnel is not improved.

I am closing with this. I know you want to call it six o'clock. I am just as anxious to go home as my colleagues. Nevertheless, I am convinced that, unless the bridge approaches are improved so as to take care

of the traffic during rush hours, it will be most unfortunate. Last year I suggested the building of elevated roadways, but, whether they be elevated or underground, as long as they move the traffic to Dorchester street, I will be satisfied.

Therefore I hope the minister will give consideration to some of my suggestions and use them.

(Text):

The Acting Chairman (Mr. Chown): Shall the item carry?

Mr. Balcer: Mr. Chairman, I certainly have no objection to item 1 being carried but I intended to answer a few of the various inquiries that have been made of me by hon. members. If the committee is agreeable, however, we might pass this item and then I could be given an opportunity of making my statement after the item has been passed. I would be agreeable to this procedure.

Mr. Chevrier: On the point which the minister has raised, I may say that from the experience I have had the estimates have taken quite a long time. The minister has had quite a long siege. I, personally, and I am sure others who are here, would be quite willing to accede to the minister's request, but it should be on this condition, that the minister will reply when we get to the next item after item 1 is passed. Then, we will be given the right to ask questions, although we will not want to make speeches. On that assumption, I think we would be willing to allow the item to pass.

The Acting Chairman (Mr. Chown): Shall the item pass?

Mr. Peters: No, Mr. Chairman.

Mr. Bell (Saint John-Albert): The tail wagging the dog again.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Chevrier: Mr. Speaker, may I inquire what the legislation and the estimates will be for next week.

Mr. Churchill: For Monday and Tuesday the program will be as outlined. I am not certain we will reach all the items that I called for Monday. Rather than taking the estimates of the Department of Transport next Wednesday we will start with those of the Department of Justice, followed by those of the Department of Fisheries, on which we have already spent some time.

On Monday evening, after I have had an opportunity to consult with some of my colleagues, I may be able to name two more departments for the balance of the week.

At four minutes after six o'clock the house adjourned, without question put, pursuant to special order.

ANSWER TO QUESTION

The following answer, deposited with the Clerk of the house, is printed in the official report of debates pursuant to standing order 39:

COMMISSION OF INQUIRY, INDIAN AFFAIRS, MACKENZIE DISTRICT

Question No. 230—**Mr. Howard:**

1. Has the commission of inquiry, appointed on June 25, 1959, to inquire generally into all matters arising out of the unfulfilled provisions of treaties 8 and 11 as they applied to Indians of the Mackenzie district, held any meetings; and, if so, upon what dates and in which places were these meetings held?

2. Has the said commission made any report and recommendations; and if so, what are the details of the said report, and the action taken with respect to the recommendations?

Answer by: **Hon. Ellen L. Fairclough (Minister of Citizenship and Immigration):**

1. Yes. Meetings were held from July 5 to July 17, 1959, at the following settlements:

Question

Aklavik, Fort McPherson, Arctic Red River, Fort Good Hope, Fort Franklin, Fort Norman, Fort Wrigley, Fort Simpson, Fort Liard, Fort Providence, Hay River, Fort Resolution, Fort Rae, Snowdrift, Fort Smith.

2. Yes. The commission recommended against the establishment of reserves in the proportions provided for in the treaties and suggested that the government open negotiations with the various Indian bands with a view to ascertaining whether in lieu of their land rights under the treaties they would be interested in monetary compensation, a combination of both, or some other form of compensation.

In connection with this general recommendation the commission made certain recommendations concerning the value of lands, mineral rights, fishing and hunting rights, establishment of Indians in settlements, welfare services, etc., all of which have been under study by an interdepartmental committee.

APPENDIX

STATEMENTS BY EXTERNAL AFFAIRS MINISTER TO INTERNATIONAL CONFERENCE ON LAOS

Mr. Green (Canada): Mr. Chairman, I should like to state briefly Canada's views on what we hope the conference will achieve.

Before doing so, may I associate myself with others around this table who have paid tribute to the statesmanlike contribution to our conference which was made by his Royal Highness Prince Sihanouk. And may I also thank the co-chairmen for having brought us together.

Canada is represented here because of her membership on the international commission for Laos.

In 1954, we accepted the invitation to serve together with India and Poland on the three international supervisory commissions for Indo-China, in the belief that these commissions would help to establish conditions of stability and security in Southeast Asia. We had no illusions about the magnitude or complexity of the task.

The fact that this conference is meeting now is a sharp reminder that the establishment of stability and security in the area is not simple or easy. This conference presents an opportunity, possibly the last opportunity, to make a just and enduring settlement in Laos. It is most likely to succeed if we base ourselves on the Geneva agreements of 1954. We should also keep in mind three underlying requirements:

First, conditions must be established in Laos which will enable the Laotian leaders to assume effective responsibility for the government of their own people.

Second, we must strive for a settlement which all the nations represented at the conference are genuinely prepared to apply and to support.

Third, it must be a settlement which assures that Laos has a truly neutral and independent status.

Taken together, it is obvious that if these three requirements for a lasting peace are to be fulfilled, not only must Laos be free from domination from outside but it must not be handed over to the control of any one of the parties to the present conflict.

In the Canadian view, the international commission's terms of reference should be such as to enable the commission to play its part in ensuring the genuine neutrality and independence reflected in these principles.

Over a period of 1954 to 1958, Canadians came to know something of Laos and its people. We learned that Laotians are friendly, hospitable and peaceful, desiring only to live their own lives and without aggressive designs on their neighbours. They have a way of life which possesses both charm and intrinsic value. We wish to see them maintain that way of life.

In practical terms, Canada's interest centers on successful functioning of the international commission, and here, Mr. Chairman, may I say that I agree with Mr. Rusk about the vital importance of the strict observance of the cease fire by all the parties in Laos. And in addition, I agree that it is essential to have regular and up-to-date information at this conference about what is going on.

I have asked the Canadian member of the international commission to co-operate with the chairmen of the commission in arranging for such regular and frequent reports from the commission to the co-chairmen of this conference.

That commission has now returned to Laos and it is a responsibility of this conference to define the terms under which the commission is to function in the future and to provide the conditions and give it the means to enable it to function effectively both now and in the future.

These conditions, most of which are immediately applicable, we believe, should include the following:

First, the full co-operation of all parties; second, prompt access to all areas and military installations at the discretion of the commission; third, independent and adequate means of land and air transport and the facilities for their maintenance. Helicopters, in our opinion, are of special importance. Fourth, an independent system of communications. Fifth, guarantees for the physical security of its personnel. Sixth, full information as to the quantity, types and disposition of all war material and armed forces, at the time of the cease fire and after. Seventh, effective methods of supervising and controlling the entry of military personnel and war material into

Laos. Eighth, and a clear definition of the responsibilities of the commission with respect to all threats to the security of the Laotian state.

These are some of the more important conditions which should be met to enable the commission to do its job effectively. I would remind you that the co-chairmen have informed the commission in writing that the determination of the functions of the commission, after the first stage of its work, falls within the competence of this conference. That will be found in letters written to the countries which are members of this commission.

Under any terms of reference, a commission can function only with the co-operation of the local authorities. There must also be a basic understanding on the part of the local people about what the commission is expected to do and why it is there.

The purpose of the Geneva powers in 1954 was to establish the conditions which would enable Laos to exist as a sovereign, independent, unified and neutral state. In its relations with other countries, the Laotian government declared that it would not pursue aggressive policies or permit its territory to be used for this purpose and undertook to settle its international disputes by peaceful means. With the object of maintaining neutral status, it accepted certain limitations on its sovereign right to enter into alliances with other countries for military purposes.

We are all agreed that this neutral status, which conforms with the wishes and needs of the Laotian people, is still the objective. Such status would involve no foreign military formations on Laotian soil and a policy of non-alignment in relations with other states. To reinforce this status, already recorded in the agreements of 1954, this conference may consider some further agreement or declaration necessary.

For example, the suggestion made yesterday by the foreign secretary of the United Kingdom that the government of Laos should make a declaration of neutrality and non-alignment with a corresponding pledge on the part of all other governments represented here to respect the neutrality of Laos, seems to me to be a constructive step which merits careful and sympathetic consideration.

Consideration will have to be given to the type of force required to maintain law and order within the country; to the type and quantity of equipment this force should have; to the sources from which this equipment should come; and to the related question of advice and training.

In 1954, the Laotian government declared its intention to integrate all citizens into the national community without discrimination. The rights and freedoms provided in the constitution, including the right to participate freely in elections by secret ballot, were assured to all. While the primary responsibility for the solution of political issues must rest with the Laotians themselves, there may be matters on which the countries represented here can be of assistance in this task.

For several years, Laos has been receiving assistance towards the development of its economy and the improvement of the living standards of its people. Indeed, I might say that another reason for our interest in Laos is that Canada has been happy to join with other countries in the Mekong river valley project, where Canadians carried out the aerial survey. It seems clear that aid from outside must continue if Laos is to build up the social and economic institutions needed to maintain a unified state in the modern world. There is a problem of reconciling the neutral status of Laos with economic and technical aid from outside powers. The resolution of the problem may well involve the use of some form of international body.

Finally, Canada expects this conference to produce a settlement which will enable an independent, unified and neutral Laos to live in peace with its neighbours and to resolve its internal difficulties. We believe whole-hearted support of the international supervisory commission is essential to the attainment of these objectives.

Thank you very much.

If I may I should like to make a further suggestion with regard to the work of the commission. I shall be very brief.

2. The conference is now seized of the question of reporting, and this is a subject of discussion between the co-chairmen. There is no doubt as to the obligation of the commission to report to this conference, and they have already rendered three reports. However, the problem of receiving prompt and adequate reports from the commission is inseparable from the means which should be at the disposal of the commission to do its job.

3. My purpose now is to deal with the practical measures which this conference should adopt at once to enable the commission to ensure the strict and impartial observance of the cease fire by all parties, for one purpose; so that the conference could have confidence in the commission as a supervisory body.

4. The most urgent problem the conference should tackle is to provide the commission with such equipment in the way of transport, communications and the like as it requires to

do the job. In its very first report to the co-chairmen on May 1 the commission said that with an advance of $200,000 from the government of India—and I go on to quote from this letter—"and with the help of the Indian army, the commission should be able to set up an effective machinery, provided that the co-chairmen were willing to supply the commission with an adequate number of airplanes and helicopters together with facilities for their maintenance". This is the end of the quotation from that letter. The co-chairmen in their reply authorized the commission to draw a $200,000 credit from the Indian government, but so far as we know, no action has been taken by them, that is by the co-chairmen, with regard to the requirement for transport. They dealt with the other two points raised, but not with the question of the transport asked for by the commission.

5. I wish to propose that the co-chairmen should without further delay send a message to the chairman of the international commission referring to the commission's letter of May 1 which I have mentioned, and asking them to spell out as a matter of urgency the specific requirements in men and equipment, including an estimate of the number of teams that will be needed to enable them to discharge their duties in relation to the cease fire. Upon receipt of the commission's recommendations the co-chairmen, we believe, should take the necessary steps to provide the commission with the equipment needed, and the governments concerned should take the necessary steps to supply the men. We believe this is a very practical suggestion; we believe this need should be faced, and we hope that it will receive the approval of all the delegations.

HOUSE OF COMMONS

Monday, May 22, 1961

The house met at 11 a.m.

HER MAJESTY THE QUEEN

DECLARATION OF LOYALTY ON CELEBRATION OF BIRTHDAY

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, this being the date on which the birthday of Her Gracious Majesty Queen Elizabeth II is celebrated, we in this house will show our devotion by carrying on with business as usual. However, with a view to giving tangible evidence of our affection and devotion to Her Majesty, the Acting Leader of the Opposition, the hon. member for Laurier, and myself suggest that with your leave the members stand and sing the first verse of "God Save the Queen".

Whereupon the members of the house rose and sang

God Save the Queen

EXPORT CREDITS INSURANCE ACT

AMENDMENTS RESPECTING LIMITS OF LIABILITY UNDER SECTION 21

Hon. Gordon Churchill (for the Minister of Trade and Commerce) 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 Export Credits Insurance Act to provide that the two hundred million dollar limit of liability specified in section 21B of the act, now applicable to both contracts of insurance entered into by the corporation under section 21 and instruments guaranteed by the corporation under section 21A, be made applicable solely to contracts of insurance entered into under section 21; and further to provide a separate limit, in the amount of two hundred million dollars, on the liability of importers under outstanding instruments guaranteed by the corporation under section 21A.

Motion agreed to.

JUDGES ACT AND EXCHEQUER COURT ACT

AMENDMENTS PROVIDING FOR APPOINTMENT OF ADDITIONAL JUDGES

Hon. Gordon Churchill (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 and the Exchequer Court Act, to provide one additional puisne judge of the Exchequer Court of Canada and to provide salaries for such additional judge of the exchequer court, for two additional puisne judges of the Superior Court of Quebec, for one additional judge of the Court of Appeal for British Columbia, for two additional Ontario county court judges and for one additional Alberta district court judge.

Motion agreed to.

MOTIONS FOR PAPERS

DISCONTINUED RAILWAY SERVICES

Motion No. 128—**Mr. Meunier (for Mr. Deschatelets):**

For a copy of the complete list of all railway services, discontinued in Canada by the Canadian National Railway Company and the Canadian Pacific Railway Company, since July 1, 1957.

(Translation):

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I have spoken to the mover of this motion, and he told me that he would be satisfied if he could obtain a list of the passenger trains which have been dropped. In that case, I have no objection to the adoption of the motion.

(Text):

Mr. Speaker: Would the minister mind repeating his statement; the interpretation system is not working.

Mr. Balcer: I have had a chat with the mover of this motion and he has agreed to limit it to the list of passenger services. With this understanding there is no objection to the motion.

Mr. Speaker: Subject to the alteration to which the hon. member has agreed, and which has been explained by the minister, is it the pleasure of the house to adopt the motion?

Motion agreed to.

COMBINES INVESTIGATION, NEW DRUGS—DOCUMENTS USED

Motion No. 129—**Mr. Howard:**

For a list of the names of documents to which the public has access, with bibliographic references, which were used or perused by the combines investigation branch in its inquiry regarding the selling and pricing policies of certain pharmaceutical houses in respect of new types of drugs.

Mr. Thomas M. Bell (Parliamentary Secretary to the Minister of Justice): We can accept the motion of the hon. member for Skeena for a list of the names of documents

to which the public has access, with bibliographic references, which were used or perused by the combines investigation branch in its inquiry regarding the selling and pricing policies of certain pharmaceutical houses in respect of new types of drugs. In so doing it should be made clear that the list of documents will be those to which the public and the director alike have access, but the disclosure of this list is not to be taken as any indication that they do or do not form a part of the statement of material filed with the restrictive trade practices commission by the director. The appropriate list is being prepared and will be made available as soon as it is ready.

Mr. Speaker: Is the hon. member prepared to—

Mr. Howard: I did not hear any qualifications with respect to the motion, Mr. Speaker, merely an explanation that is was not to be taken that this list implies that any of the material is in the statement; that is all.

Mr. Speaker: Is it the pleasure of the house to adopt the motion, subject to the explanation given by the parliamentary secretary to the Minister of Justice?

Motion agreed to.

NATIONAL DEFENCE AND DEFENCE PRODUCTION CONTRACTS WITH CANADIAN MARCONI

Motion No. 130—**Mr. Howard:**

For a copy of all current contracts between the Departments of National Defence and of Defence Production and the Canadian Marconi Company.

Hon. Raymond O'Hurley (Minister of Defence Production): Mr. Speaker, I wish this motion to stand for the time being.

Mr. Speaker: Stand.

Motion stands.

ELEVATED HIGHWAY ON C.N.R. PROPERTY, MONTREAL

Motion No. 131—**Mr. Meunier (for Mr. Lessard):**

For a copy of the memorandum from the authorities of the city of Montreal, and all correspondence dealing with the project of building an east-west elevated highway on the Canadian National Railways property along the St. Lawrence river in Montreal.

Motion agreed to.

CLOSING OF COAL MINES, N.S.

Motion No. 132—**Mr. Pickersgill:**

For a copy of all communications exchanged since July 1, 1960, between the Dominion Steel and Coal Company, or any of its subsidiaries on the one hand, and any member of the government or the dominion coal board on the other, regarding the possible closing of any of the coal mines in Nova Scotia.

Motion agreed to.

POWER

COLUMBIA RIVER—INQUIRY AS TO LETTER FROM B.C. PREMIER

On the orders of the day:

Hon. Lionel Chevrier (Laurier): May I direct a question to the Minister of Finance. Is it a fact that in a letter to the Minister of Finance on January 13, 1961, four days before the Columbia river treaty was signed in Washington on January 17, the premier of British Columbia warned the government that British Columbia could not agree to the financing aspects of the treaty and therefore would not be a party to the treaty?

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, a letter was received from the premier of British Coumbia on the 17th, I think it was. I am speaking from recollection, having in mind the date of the treaty. If I recall correctly the treaty was signed in Washington on a Tuesday, and this letter arrived either that day or the day before. It could hardly be correctly construed, I think, in the manner in which the hon. member has construed it, in the light of the negotiations which had taken place up to that time between the government of Canada and the government of British Columbia.

Mr. Chevrier: Would the minister table the letter from the premier, a part of which is quoted in the Vancouver *Province* of May 17, 1961?

Mr. Fleming (Eglinton): I will certainly be pleased to table the letter or any others for which there is consent of both governments.

Mr. H. W. Herridge (Kootenay West): Would the minister inform the house if the receipt of this letter did not cause the government some concern at that time?

Mr. Fleming (Eglinton): The letter arrived just at about the time of the signing of the treaty, and the signing of the treaty had been preceded by extended negotiations on a tripartite basis. British Columbia had been a party to the discussions which had proceeded between the governments of the United States and Canada. They were fully in accord with everything that was taking place in that regard. The letter which has been referred to was not interpreted as changing the situation in that respect, because the government of Canada was simply proceeding in the way that had been agreed upon by all three governments in the course of the discussions. There was no occasion at that time for any

disagreement or alteration of what had been accepted by all parties as a firm understanding among them.

Mr. Chevrier: Did the minister not state, as affirmed by the premier of British Columbia, that the letter was received before the treaty was signed?

Mr. Fleming (Eglinton): The letter was received in Ottawa before the treaty was signed in Washington by, I think, a matter of a few hours.

EXTERNAL AFFAIRS

NIGERIA—INVITATION TO PRIME MINISTER TO VISIT CANADA

On the orders of the day:

Mr. Hazen Argue (Assiniboia): I should like to direct a question to the Prime Minister. There is a press report this morning that the prime minister of Nigeria has accepted an invitation to visit the United States from July 25 to August 3. I wonder whether Canada has sent a similar invitation to the prime minister, or whether such an invitation will be sent?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the prime minister of Nigeria, as the head of one of the outstanding commonwealth countries, will, as he realized even before this hour, be a welcome visitor to Canada at all times.

Mr. Argue: In the light of the Prime Minister's statement, can we take it that such an invitation will be extended?

Mr. Diefenbaker: As a matter of fact, an invitation was extended when the Minister of Finance represented this country in Nigeria last October at the time of the independence celebrations, and the hon. gentleman's suggestion is just a little late. The prime minister of Nigeria said at that time that whenever it was possible to come he would certainly do so.

RED CHINA—REPORTED STATEMENT BY MINISTER OF AGRICULTURE RESPECTING RECOGNITION

On the orders of the day:

Hon. Paul Martin (Essex East): I should like to address a question to the Minister of Agriculture. It is based upon a question asked of the Acting Prime Minister by the Leader of the Opposition, and will be found at page 4945 of *Hansard*:

> Mr. Speaker, I should like to ask the Acting Prime Minister whether he has any comment to make upon a statement reported to have been made by the Minister of Agriculture in Vancouver yesterday to the effect that perhaps Canada should have recognized the de facto government of red China right from the start; that the Chinese are dedicated people, and that in his grain trade dealing with them recently he had found them most anxious to increase their trade with Canada but would do nothing that would hurt Canadian producers.

The Acting Prime Minister replied that he had not seen the report and that perhaps comment might wait until the return to the house of the Minister of Agriculture. Now that the minister has returned from his peregrinations on Vancouver island—

Mr. Fleming (Eglinton): Where is the Leader of the Opposition?

Mr. Martin (Essex East):—I would ask him if this statement on red China represents a new declaration of policy on the part of the government, and whether he proposes to enunciate this new policy in the parliament of Canada.

Hon. Alvin Hamilton (Minister of Agriculture): I was on Vancouver island last week. While there I visited the agricultural exhibition, the city of Victoria and certain farming areas. In the course of my other wanderings I went to the side shows where they show various freaks and so on, and I saw a great big booth there where they were showing pictures of the Leader of the Opposition—

Mr. Crestohl: On a point of order, the minister should withdraw that remark. It was unparliamentary in every sense of the word.

Mr. Speaker: I thought it was certainly not in accordance with our practice to make comments of that kind as an answer to the question, but I do not think it would be unparliamentary.

Mr. Hamilton (Qu'Appelle): Thank you very much, Mr. Speaker. I was just commenting on the extraneous remarks made by the hon. member for Essex East. When I was in Vancouver I was asked a question about recognition of red China. I pointed out that this involved a matter of government policy, and that I had no comment to make. However, I reminded the reporter that this question had been discussed in the House of Commons in 1949, and if any person cares to refer to page 1928 of *Hansard* for November 17, 1949 he will find these observations by the then minister for external affairs—

Mr. Martin (Essex East): On a point of order, Mr. Speaker, I am sure you would agree that this has nothing to do with the question. The Minister of Agriculture has been asked to comment on a statement which he is reported to have made outside this house. He can either say he was misquoted, or that he was correctly reported—

Mr. Grafftey: The answer you want to hear.

Mr. Martin (Essex East): Mr. Speaker, would you protect me against the member for Brome-Missisquoi?

Mr. Speaker: I am not sure how much protection the hon. member needs, but I should be glad to ask for the co-operation of the house while he puts his point of order. I think there is something in the point made by the hon. member for Essex East, and the answer is assuming the character of a debate rather than a statement of fact. If I may use a word employed by the hon. member for Essex East, there was a certain amount of peregrination both in the question and in the answer. If the minister could answer briefly, perhaps he would do so.

Mr. Hamilton (Qu'Appelle): I was just pointing out in answer to the question exactly what I said at this news conference. I pointed out that my memory went back to a debate in this house in 1949, and to what the minister of external affairs of that day had said and what Mr. St. Laurent had said I referred to the views they had expressed as reported on page 1928 of *Hansard*—

Mr. Martin (Essex East): Mr. Speaker, the remarks of the hon. gentleman now clearly indicate their false character.

Some hon. Members: Oh.

Mr. Martin (Essex East): The minister has just said that he spoke to a reporter referring to page so and so of *Hansard*. He will not expect this house to accept that as a correct statement.

Mr. Speaker: It seemed to me the minister was endeavouring to answer, and I think he should be given the opportunity.

Mr. Hamilton (Qu'Appelle): Naturally I did not have the exact page in my memory, but my memory was accurate. I should like to quote these words, spoken by the secretary of state for external affairs of that day:

> As far as trade with China is concerned, there is no argument on that score. Nothing can be more important to Canada than building up trade with the Far East, including China; but one essential element in the development of trade with the areas over which the writ of the communist government now runs is to establish some kind of contact with that government. So naturally the promotion of trade is part of the problem of our relationship with the communist government in China, and the two cannot be separated.

I think that explains fully what I said.

Mr. Martin (Essex East): May I ask the minister this question. Did he say in Vancouver, as reported, that Canada should have recognized the de facto government of China right from the start?

[Mr. Martin (Essex East).]

Mr. Crestohl: Answer that question.

Mr. Hamilton (Qu'Appelle): I do not think I can make it much clearer except by going on to read what Mr. St. Laurent said.

Mr. Hellyer: A supplementary question—

An hon. Member: Here it comes.

Mr. Speaker: Order. Would members please observe the rules so the hon. member for Trinity can pose his supplementary question.

Hon. Paul Hellyer (Trinity): The minister was reported to have said that on reflection he thought Canada should have recognized the government of red China at the outset. My question is this. Does the minister feel that the conduct of the red Chinese government over the years has justified the opinion he has expressed that, in retrospect, they should have been recognized at the outset?

Mr. Speaker: Order. I think the hon. member, in asking the minister to express an opinion on that question which relates to an important matter of government policy, is not really within the practice of the house. Statements on a decision of that kind are not usually made in answer to questions on the orders of the day.

COAL

CAPE BRETON—ACTION BY CABINET RESPECTING MINE CLOSINGS

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): May I ask the Prime Minister if he can say whether or not a cabinet committee has been established to deal with the threatened closure of three coal mines in Cape Breton, and whether the government has made an offer to Dosco to defray the cost of keeping the mines open?

Right Hon. J. G. Diefenbaker (Prime Minister): As to the first part of the question, may I say that the hon. gentleman, with his wide experience as clerk of the privy council and also as minister, must realize that the establishment of cabinet committees is not usually brought to the attention of the House of Commons.

As to the second question, the answer was given the other day by the Minister of Labour.

Mr. Pickersgill: I wonder if I could put a supplementary question to the Prime Minister. Is the Prime Minister aware that in the Halifax *Chronicle-Herald* of Saturday a statement appears under the heading "Coal; Cabinet Committee of Five Set Up"? The article states that a five member committee of the federal cabinet has been set up—

Mr. Speaker: Order. The hon. member's question was, is the Prime Minister aware of a report in the newspaper, and then he proceeds to read the report. This is not in accordance with our practice, to read from a press report and ask whether or not the statement is correct. This is a practice that has not been accepted in the house. If there is a supplementary question arising out of the report, other than whether it is correct, perhaps the hon. member would put it.

Mr. Pickersgill: I am drawing Your Honour's attention to the fact that I did not ask whether the report was correct. I am asking the Prime Minister whether he is aware of the fact that there is a report. The question I was going to put to the Prime Minister was, is it the practice of the present government to make announcements in respect of cabinet committees to the press but not to parliament.

Mr. Diefenbaker: I simply answer the hon. gentleman in this way, that speculative articles are not usually given consideration on the orders of the day.

Hon. Paul Martin (Essex East): On a point of order, Mr. Speaker, may I say that the Prime Minister said, in reply to the question by the hon. member for Bonavista-Twillingate—

Mr. Speaker: Order. The hon. member for Essex East, like all other members of the house, is obliged to accept answers given by the ministry, or no answer as the case may be.

Mr. Martin (Essex East): I am not dealing with that; I am simply raising a point of order. The Prime Minister said it is not usual for the house to be informed of the existence of cabinet committees. This is a point the Prime Minister has made before. I am suggesting that it is contrary to our practice for the government to take the position that parliament cannot be informed about the existence of cabinet committees.

Mr. Speaker: The hon. member's point of order is really, in effect, a discussion or a challenge of an answer given. There is no point of order that arises unless a member is entitled to indicate what kind of answer he should receive, and that is what the hon. member is doing. It is well established that members may ask questions for information. They cannot insist on an answer or insist on any particular kind of answer. A supplementary question is for the purpose of elucidating an answer, and that is as far as the practice permits. I trust the hon. member will be content with that.

Mr. Martin (Essex East): May I, on a point of order, submit—

Some hon. Members: No, no.

Mr. Martin (Essex East): I raise this as a question of privilege—

Mr. Speaker: Order. There is no question of privilege arising out of a Speaker's ruling. I have given my ruling and the hon. member is in duty bound to accept it. I have heard his argument.

Mr. Martin (Essex East): On the question of privilege—

Some hon. Members: Order.

Mr. Speaker: If the hon. member is raising a question of privilege that does not arise out of my ruling, I will hear him; otherwise, no.

Mr. Martin (Essex East): I am not speaking on a question of privilege arising out of Your Honour's ruling. I am simply raising a question of privilege in respect of the Prime Minister's statement which affects the privileges of all members in this house. When he says that this house is not entitled to know whether or not there are committees of the cabinet—

Mr. Speaker: Order. The hon. member is endeavouring to arrive in another way at a prescription of the kind of answer the Prime Minister will give to his question. If the hon. member disagrees with the statement that is made, he will have opportunities in due course to debate the issue. However, no question of the privileges of the house arises by reason of the view expressed by the Prime Minister with respect to the information about cabinet committees.

Mr. Chevrier: May I ask Your Honour a question arising out of this matter?

Some hon. Members: No.

Mr. Chevrier: The question is this. Is it proper for a member of the treasury benches to give an answer such as that which the Prime Minister has given, although a statement similar to the one made by the hon. member for Bonavista-Twillingate is to be found in the Halifax *Herald*? That is the point upon which I am asking Your Honour's advice.

Mr. Speaker: As I said, I am not judging the statement. My only responsibility is to see that the practice of the house is observed, and that practice is that the ministry may give such answers as they see fit to the oral question put to them at this point in our proceedings.

[*Later:*]

Mr. Pickersgill: I should like to put a question to the Minister of Finance and ask him whether the government has offered any

financial assistance to Dosco to keep the coal mines open, apart from subventions on the sale of coal.

Hon. Donald M. Fleming (Minister of Finance): The government, as the house was informed at the time, offered to pay subventions in what had up to that time been a non-subvention area, and this timely assistance on the part of the federal government enabled operations at three important mines to be carried on during the past winter and up to the present time. The house has been fully informed at all times of the financial arrangements which have been made in this regard with a view to continuing the operation of these mines and continuing the employment of these worthy coal miners of Cape Breton.

Mr. Pickersgill: A supplementary question. Do I understand from the minister that no other financial assistance apart from subventions has been offered?

Mr. Fleming (Eglinton): The hon. member is well aware of what has been reported to the house. This form of federal assistance appeared first of all in the form of subventions payable in the subvention area. That area was extended farther to the west over the past several years so that more Nova Scotia coal could come into Quebec and the western parts of Ontario. Last year this form of assistance was extended into what had been known up to that time as a non-subvention area.

Mr. Pickersgill: More evasion.

Mr. Fleming (Eglinton): It is not evasion at all. It is reminding the house in simple, factual terms of something which it has known all along but which the hon. member for Bonavista-Twillingate has forgotten, or wishes to forget and is now misrepresenting.

Mr. Pickersgill: Could I ask the minister whether he is now repudiating what was said to the press by his colleague the Minister of Labour?

Mr. Fleming (Eglinton): Mr. Speaker, what my colleague the Minister of Labour said to the press was the subject of comment on his part in this house several days ago in reply to a question. He made his position perfectly clear to every intelligent and adult member of this house, but not to the hon. member for Bonavista-Twillingate.

AGRICULTURE

INQUIRY AS TO NATIONAL FARM POLICY RESEARCH COUNCIL

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to direct a question to the Minister of Agriculture. My question is prompted and spurred by the interest of numerous people in the maintenance and development of the economic family farm. In view of the decision at a meeting held in Winnipeg on April 24 and 25 of leaders from all branches of agricultural production and marketing to proceed to establish a national farm policy research council, will the minister inform the house whether his department was represented at this meeting and what assistance, advice or guidance his department intends to offer in the establishment of this urgently required research council?

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, at the time the government of Canada was examining into the question of a national agricultural program which was eventually announced in the house on August 30, 1958, by the Prime Minister, one of the gaps we discovered was some form of objective research into marketing and sociology. We set up an interdepartmental committee which recommended that some form of objective research group should be set up outside of the government and outside of the farm organizations.

At that time I approached several of the farm organizations in the west pointing out the need for this research group, and a group was set up among the farm organizations in the west which recommended that there should be a prairie agricultural economics research group. In the meantime the government of Manitoba, through its minister recommended, at the agriculture ministers' conference last October that there should be a research institute for all of Canada, and his government took the lead in calling a meeting of all governments and farm organizations for some time early this spring, which resulted in the meeting at the end of April that was mentioned by the hon. member.

At that meeting the government of Canada was represented by myself, with 11 officials from various departments, and a two day discussion took place. All the governments of Canada were represented, and all the farm organizations. A committee was instructed to prepare a plan by July 15 of this year which would be presented to the 11 governments and various farm organizations, and also to Agri-business. This report is due by July 15 of this year, at which time I would imagine the farm organizations will consult their organizations in full meeting and the agriculture ministers will deal with it either at the July meeting in Prince Edward Island or the November meeting here in Ottawa.

NORTHERN AFFAIRS

REPORTED PROHIBITION AGAINST FRATERNIZATION WITH NATIVES

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the Minister of Northern Affairs and National Resources. My question is based upon a publication of the Department of Northern Affairs and National Resources entitled "This is the Arctic", and a statement which appears therein as follows:

> Taking out the Eskimo girls individually, however, is looked on with extreme disfavour, and is the easiest way to get a fast, no expense paid trip south.

This publication is being distributed in Ottawa and other places. I wonder whether the minister could explain the significance of that phrase which appears in this departmental publication, in view of what he said the other day?

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, I am pleased that the hon. member has asked this particular question, because I feel there is sufficient continuing interest in the subject to make it necessary to provide more background about the matter than has been provided in answer to questions put in this house.

The particular publication to which the hon. member refers was designed as a popular treatment of the subject of human relationships north of the 60th parallel. During the past few years there has been tremendous development taking place in the northern part of Canada; the actual impetus began with the construction of the distant early warning line.

Mr. Howard: Mr. Speaker, I should not like to interrupt the minister, or object to what he is saying, but I understood him to say in his preliminary remarks that because of the continuing interest in this subject it could be more propitiously dealt with by a statement rather than by an answer to a question, and I am wondering now whether the minister is not making a statement which would be more appropriately made during motions.

Mr. Speaker: Order. If the hon. member wishes to withdraw his question it can be disposed of very simply.

Mr. Howard: Mr. Speaker, you know very well that I have some reluctance about withdrawing questions.

[*Later:*]

Mr. L. D. Crestohl (Cartier): Mr. Speaker, I should like to direct a question to the Minister of Northern Affairs and National Resources. In the light of press reports to the effect that Canadian Eskimos are living under certain disabilities, would the minister table in this house a list of the disabilities under which they are reputed to be living in comparison with the standards of other Canadians?

Mr. Dinsdale: Mr. Speaker, in view of the questions asked by the hon. member for Cartier and the hon. member for Skeena, perhaps I could receive the permission of the house to revert to motions and make a statement which might cover the inquiries of both these hon. gentlemen.

Mr. Speaker: Does the hon. minister have leave to revert to motions for the purpose of making a rather extended statement regarding this subject?

Some hon. Members: Agreed.

Mr. Dinsdale: Mr. Speaker, at the time of the construction of the distant early warning line there was a rule against unnecessary contact with Eskimos. Many thousands of construction workers were rushed into the Arctic to complete the line in two years. In many areas of the north this was the first contact by the Eskimos with large numbers of people from south of the 60th parallel. Eskimos have low immunity to disease, and there was concern over the possibility of epidemics being brought in by construction workers from the outside, and also over the possibility of improper relations—I stress that word "improper"—that would have an adverse effect on the Eskimo people.

In March, 1955 the deputy minister of northern affairs and national resources wrote to the Western Electric Company, which was responsible for the construction of the D.E.W. line, regarding measures to protect the health and welfare of the Eskimos, and particularly with reference to reduction in the possibility of the spread of disease. When the agreement with the United States in respect of the D.E.W. line was concluded in May, 1955, a clause was inserted designed to provide similar protection.

Conditions in the Arctic have changed remarkably in the past six years. As an indication of the government's current attitude, in 1959 a letter was sent to all government departments that have employees in the north, dealing with the question of relations with the indigenous population. There was no attempt whatever to curtail fraternization; indeed, the reverse is the case. The Department of Northern Affairs and National Resources has a number of employees, both male and female, who are Eskimos married to white persons or white persons married to Eskimos. I might add that D.E.W. line

clauses have no application to the mid-Canada line, or the Canadian Marconi Company.

Mr. Howard: Mr. Speaker, I am sure we all appreciate and commend the original intention in this particular clause contained in the D.E.W. line contract, which was primarily designed for the benefit of the Eskimo population itself. The subsequent letter of 1959, to which the minister referred, in which it announced there should be no attempt to curtail fraternization or association, is also commendable. However, it appears on the surface that the Canadian Marconi Company has continued to place that no fraternization clause in the remainder of its contracts, which is quite contrary to the announced intention and attitude of this government, and quite contrary to that section of the bill of rights which claims that we have always had the right of freedom and association. It would seem to me that some steps should be taken to draw this to the attention of the Canadian Marconi Company so that in future discrimination such as now exists will not prevail.

Mr. Crestohl: Just to clarify the question I put to the minister which provoked his statement, I should like to draw to his attention the fact that I asked whether he would be good enough to list for the house those disabilities under which Eskimos live in comparison with the living rights of other Canadians.

Mr. Dinsdale: Mr. Speaker, I am happy to inform the hon. member that there are no disabilities as between the Eskimo population and the general population of Canada. There may have been some in existence in 1955, but I think our position has been clarified, without any possibility of misunderstanding by the circular letter which was distributed in 1959.

HOUSING

N.H.A.—FURTHER INQUIRY RESPECTING STARTS AND COMPLETIONS

On the orders of the day:

Mr. J. R. Garland (Nipissing): Mr. Speaker, I should like to direct a question to the Minister of Public Works arising from the minister's statement to this house of Saturday, which confirmed that house completions for the year to date are down each month as compared to last year, and that despite this reduction there were more unsold houses at the end of April—

[Mr. Dinsdale.]

Hon. D. J. Walker (Minister of Public Works): Mr. Speaker, I am willing to answer any questions, but the hon. member is making a speech.

Mr. Speaker: I could not hear the hon. member's question, and would ask him to repeat it.

Mr. Garland: Mr. Speaker, surely a good builder must prepare a good foundation. I said that my question arose from the minister's statement which confirmed that house completions this year to date are down each month as compared to last year, and that despite this reduction in the production of homes there were more unsold houses than a year earlier. Will the minister urge his colleagues to pursue fiscal policies which will make possible an early reduction of the—

Mr. Speaker: Order. I have allowed the hon. member to lay the background to his question, but it appears that he is simply urging something and presenting an argument rather than asking for information. The practice of allowing questions on orders of the day is designed to assist members in getting urgent information rather than to present argumentative statements, which it seems to me the hon. member for Nipissing was doing. He was putting his case as an argument rather than in search of information.

Mr. Garland: Perhaps I can rephrase my question, Mr. Speaker. Will the minister confirm the fact that the abnormally high National Housing Act interest rate is being deliberately maintained until the government has had an opportunity of unloading Central Mortgage and Housing Corporation mortgages, permitting reinvestment at the same rate to protect the treasury at the expense of current borrowers?

Mr. Walker: Mr. Speaker, is it necessary to give an answer to a purely nonsensical question?

Mr. Martin (Essex East): Another example of government arrogance.

Mr. Hellyer: You have certainly saved us from that kind of an answer.

Mr. Pickersgill: You are going backward, like Alice in Wonderland.

Mr. Garland: Mr. Speaker, surely the minister, with his experience, must have learned how to disagree without being disagreeable.

Mr. Speaker: Order. The hon. member is not asking a question, as I understand it.

TRADE

GRAIN—RATE OF STERLING EXCHANGE IN SALE TO CHINA

On the orders of the day:

Mr. G. J. McIlraith (Ottawa West): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. I should like to ask him whether he will now answer the question I asked him on May 10, 1961, which he took as notice, and which I repeated to the acting minister on May 17.

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, I have studied the question asked me by the hon. member on May 10, and again to the acting minister on May 17, and in view of all the facts I feel I have nothing further to add to what I said on May 2.

Mr. McIlraith: Mr. Speaker, I should like to rephrase my question and draw this subject again to the attention of the minister. Will the minister apprise the house as to what rate of exchange he used in computing the dollar value of the contract; and I refer, of course, to the contract for wheat sales to communist China?

Mr. Hamilton (Qu'Appelle): Mr. Speaker, that is the question I understood the hon. member directed to me on May 10, and to the Acting Prime Minister on May 17.

GRAIN

NEWFOUNDLAND—REQUEST FOR PROVISION OF STORAGE FACILITIES

On the orders of the day:

Mr. Hazen Argue (Assiniboia): I should like to direct a question to the Minister of Agriculture arising out of the great interest in and need for the greatest possible use of the port of Churchill. Has the minister received representation from the Hudson bay route association suggesting that for the greater use of the port of Churchill, provision might be made for storage facilities for grain in Newfoundland for reshipment the year around?

Hon. Alvin Hamilton (Minister of Agriculture): The answer to that question is yes.

Mr. Argue: I wonder whether the minister would make some comment on that and say whether steps are being taken to provide such storage facilities.

Mr. Hamilton (Qu'Appelle): Mr. Speaker, so far this has not entered into the field of government policy. It is true that there have been numerous discussions with various business groups dealing with the question of storage facilities on the south shore of Newfoundland. Up to now no government decision has been made. We have been trying to get from them certain information which they have promised to provide us.

NATIONAL DEFENCE

INQUIRY AS TO DECENTRALIZATION OF INDUSTRIES

On the orders of the day:

Hon. Lionel Chevrier (Laurier): May I ask a question of the Minister of Defence Production which, in his absence on Saturday, I asked the Prime Minister. My question is this. In view of the statement reported in the press as having been made by the minister at Atholville, New Brunswick, on his recent visit there, that probably two bombs would destroy our defence industry, may I ask him whether the government or his department has any actual plans to decentralize defence industries in Canada and locate them in areas of high unemployment?

Hon. Raymond O'Hurley (Minister of Defence Production): Mr. Speaker, as the hon. member for Laurier very well realizes, the government has no defence industry of its own. We depend on industry for our defence contracts. As the hon. member also well realizes, for economic reasons industry is concentrated in two large cities; otherwise the statement I made is according to the facts.

Concerning the question, are we doing anything to disperse defence industries, I stated and I repeat that all provinces have the right to have defence contracts within their boundaries.

CANADIAN NATIONAL RAILWAYS ACT

AMENDMENT INCREASING NUMBER OF DIRECTORS

Hon. Leon Balcer (Minister of Transport) moved that the house go into committee to consider Bill No. C-94, to amend the Canadian National Railways Act.

Motion agreed to and the house went into committee, Mr. Flynn in the chair.

On clause 1—*Number.*

Mr. Chevrier: Is the minister going to make a general statement in connection with this matter?

Mr. Balcer: No, Mr. Chairman.

Mr. Chevrier: Well, if that is the case, then I think I should like to bring to the attention of the minister the fact that from his side of the house during the discussion of this bill there have been a series of attacks upon the officers of the Canadian National Railways. If I understand the position of the

minister it is that he is responsible in parliament for the administration of the Canadian National Railways, and I would have thought the minister would have risen in his place to make some defence of both the president and the officers of the Canadian National Railways. I must say that has been done by another member on the government side of the house but I would have thought, in view of the charges that were directed against these men, that the minister would have risen in his place and made at least some comment in answer to those charges. I ask him whether he would not comment on those charges now.

Mr. Balcer: Mr. Chairman, no such attacks, as my hon. friend calls them, have been made on this bill. At the present time we are discussing an increase in the number of directors; we are not discussing personalities, and at the moment I have nothing to add.

Mr. Chevrier: Well, of course we are not discussing personalities, but we are discussing the administration as effected by the directors of the Canadian National Railways. There has been more than one demand for the resignation of one of those directors.

Mr. Churchill: Made in the discussion of this bill?

Mr. Chevrier: Yes.

Mr. Balcer: Not in the discussion of this bill.

Mr. Chevrier: In connection with the very matter under discussion. I am asking whether the minister will not make some comment on those charges?

The Chairman: Shall clause 1 carry?

Mr. Pickersgill: No, Mr. Chairman. I ask the minister whether Mr. Donald Gordon is in fact a director of the Canadian National Railways at the present time?

Mr. Balcer: Mr. Chairman, the term of Mr. Donald Gordon as chairman and director of the C.N.R. expired on September 30 but, with regard to directors whose terms expired last September 30, section 6 subsection 4 of the Canadian National Railways Act provides that a director whose term of office has expired remains a director until his successor is appointed. Therefore Mr. Donald Gordon remains a director and is a director at the present time.

Mr. Pickersgill: What the minister has just said raises a very important point. I do not think this committee should be asked to proceed any further with this bill until the minister tells us what the government's intention is with respect to Mr. Donald Gordon. We are asked to increase the number of directors from seven to 12. Surely we are entitled to be told whether it is intended to continue Mr. Gordon's appointment as a director, or whether this is part of a device to get rid of him. I think, in view of the attacks that were made on Mr. Gordon by all but one of the Tory members who spoke in this house on this bill, the minister should clear up this point right away.

Mr. Fisher: Mr. Chairman, may I just very briefly reiterate our party's support of this bill, although we have certain doubts whether it is going to be really successful; so much will depend upon the people who are appointed. We have left it to our colleagues of the Liberal party to raise the normal doubts about appointments made by the government. I should like to comment on what has been said. It seems to me that the hon. member for Laurier and the hon. member for Bonavista-Twillingate are confusing the contributions we have had on the estimates of the Department of Transport with the debate on this particular bill. I have heard a number of government supporters call for the resignation of Mr. Gordon, but it seems to me this was on the transport estimates.

I might take this opportunity to disavow what I was credited with in this debate the other night by the hon. member for Acadia, when he said that I had decided to call for Mr. Gordon's resignation because it was the smart and popular thing to do. I have to give credit for being the first to call for his resignation to the hon. member for Danforth who, a full year before I thought Mr. Gordon should go, was in the lists expressing his opinion in this matter. I am very pleased that a number of government supporters have also come to the view that the C.N.R. situation is such that it is time for a change in management. However, it seems to me that matter really has no relevance to this bill.

I should like to point out to the hon. member for Laurier that the minister has told us that the change being made by the bill is as the result of a recommendation last year by the committee on government railways, shipping and air lines. I suggest to the hon. member that if he really wants to raise the issue of Mr. Gordon and his position with the government, the place to raise it is in the committee when it meets this year. Maybe he will come to the support of those of us who hope that from that committee we will have a recommendation on the very point about which he is talking. We will hope that the government will act as quickly or even more quickly in regard to that recommendation than it did with regard to the recommendation of last year. I hope I have not been too

obscure in my reference to the kind of recommendation that I would hope will come from the committee this year.

Mr. Chevrier: The hon. member for Port Arthur has not been obscure, but he is a little bit off colour in so far as the method of procedure is concerned. It seems to me that the time to ask for information concerning a bill is when the bill is before the house. That does not preclude members from asking for information and dealing with the same subject matter when it comes before the committee on railways and shipping. However, when a bill is before the house which seeks to increase the number of directors of a crown corporation, whether it is Canadian National Railways or any other crown corporation, I think the house is entitled to know what the position is with reference to the other directors.

I am asking the minister now whether there are any other directors on sufferance in the same way that the information he has given indicates that the chairman and president is. He has stated that the order in council appointing Mr. Gordon expired on September 30, and that because of the section in the Canadian National Railways Act to which he referred Mr. Gordon is still in office although his term has expired. I should like to know the names of the other directors who are on sufferance, when their terms expired and what the intention of the government is respecting these other directors.

Before I sit down I should like to make one other point in connection with the matters under discussion now. There are seven directors of Canadian National Railways, and it is proposed by this clause to increase the number to 12. The hon. member for Port Arthur states that last year the committee made a recommendation to that effect. Whether or not there was a recommendation by the committee, the responsibility is that of the government. Whether or not the recommendation was unanimous, the responsibility is still that of the government. I take the position that it was not unanimous. I am not going to get into that argument again, but I think the minister owes it to the house to give us the names of those other directors who are on sufferance and to tell us why they have not been reappointed.

Mr. Macdonnell: Mr. Chairman, it seems to me that the situation is a very simple one. I think the remarks made by the member for Port Arthur make sense. There will be a committee which will be considering the affairs of the railway and, as I say, I think what he said makes sense and is fair. The suggestion that we have got to engage in a review of the status and capacity of the other directors and raise questions with regard to their status does not make sense to me and in my opinion is utterly irrelevant in considering this bill.

Mr. Martin (Essex East): Mr. Chairman, it seems to me that one of the matters raised in discussion of the bill this morning cannot be passed over by the minister, by failing to reply. I do not agree with the hon. member who has just spoken that the House of Commons is not the place to discuss who shall be the directors of Canadian National Railways, and particularly what is to be done with the president of the railways.

Mr. Macdonnell: Of course it is, but at the proper time.

Mr. Martin (Essex East): In the light of the attacks that have been made on the president by the member for Port Arthur, by a member who sits behind the ministry and by others, I believe it is not within the minister's prerogative to ignore this question. When a government servant is attacked in an way it is a tradition of our parliamentary system for the responsible minister either to concur in that attack, in which event the consequences are clear, or in the alternative to defend the person concerned.

Mr. Jones: The attack is out of order in this debate.

Mr. Martin (Essex East): Whether or not the attack is out of order, it has been made.

Mr. Chevrier: It is not out of order.

Mr. Jones: Certainly it is.

Mr. Martin (Essex East): Apart altogether from that, the observation of the hon. member who has just said that the attack is out of order is senseless. An attack has been made, and the minister cannot remain in his seat and not take a position one way or the other. That doctrine was laid down in the house by Sir Robert Borden and again in 1937 by Right Hon. R. B. Bennett with regard to an attack that had been made upon the head of the mounted police, Sir James MacBrien. The reply of the then minister of justice, Mr. Lapointe, which I do not have before me, stands out so vividly in my memory as to lead me to suggest to the minister that he will want to give careful consideration to the matter before refusing to speak.

The Canadian National Railways is an important part of the government's concern, so important that the president of the railway receives a salary twice that of the Prime Minister. This is an important operation conducted in the interests of the people of the country. The head of that railway has been attacked. He has been termed arrogant; he

has been termed inefficient. Other characterizations have been made respecting him, and it is inconceivable that the Minister of Transport should allow these attacks to be made on a man who holds this important position. The minister might possibly be justified in refusing to say whether or not the government proposes to extend his term. Obviously that is a matter of government policy, although in view of the uncertainty I should think the minister would want to remove any doubt in that regard. But in so far as the attack made on the president of the Canadian National Railways is concerned, the minister cannot remain in his seat and fail to make a reply.

The hon. member for Port Arthur, exercising what he believes to be his best judgment—there may be some question in the context as to that—has made serious charges, a series of charges, against the president of Canadian National Railways. This attack has been concurred in by other members sitting behind the ministry, as well as members in other parts of this house. Are these charges valid? If they are valid, then of course the dismissal of the president should take place. If they are not valid, their invalidity should be exposed. There is no one who has a greater responsibility in that exposition than the Minister of Transport who, pleasantly, amiably, sits in his seat and refuses to defend a man whose defence can only be conducted properly by the responsible minister.

This is not a new practice for this government. We have had other discussions in which officials serving in public office have not been defended in this house when attacks have been made upon them by certain members of this house. The attacks made on the governor of the Bank of Canada should have prompted the Minister of Finance on several occasions to rise spontaneously either in defence or in repudiation of the governor of the Bank of Canada. In the latter instance, of course, there would have been a clear course for the government to follow. If the governor of the Bank of Canada has been attacked, he should be defended. If the president of the Canadian National Railways—

Mr. Walker: I rise on a point of order, Mr. Chairman, and at the risk of being spewed with insults by the hon. member for Essex East I would say he is not in order in talking about the Bank of Canada under these circumstances.

Mr. Martin (Essex East): I agree with the hon. member, but we have finished with that now.

The Chairman: Order. I have been listening to the debate as it has been conducted so far with the question of relevancy in mind. I wanted to allow the hon. member to continue in order to determine what direction the debate would take, if one theory or the other would prevail. I think the trend of the debate has just indicated that some ruling should be made on the question of relevancy.

When I was in the chair during the debate on second reading I expressed my view that the principle of the bill did not involve personalities, but only the number of directors. I should like to remind the committee of standing order 59, paragraph 2, which says:

> Speeches in committee of the whole house must be strictly relevant to the item or clause under consideration.

I cannot see that the possible reappointment of the present directors would have anything to do with this legislation. Furthermore, may I indicate to the committee my feeling that there are other opportunities on which these matters could be more properly discussed, namely before the standing committee which has been set up and during the consideration of the estimates of the Minister of Transport. It is my view that this discussion of the appointment of the president and the administration of the president is not relevant to this bill. I think I made this clear. During the debate on second reading I heard only one hon. member raise this question in respect of Mr. Gordon, and at that time I indicated that I thought it was not relevant. This discussion lasted a few minutes, and very few members afterwards discussed this matter.

I would ask the committee, therefore, not to go too far in this direction, because it is obvious that we would not be discussing the bill at all if we did so.

Mr. Pickersgill: I should like to draw Your Honour's attention to a statement made by the hon. member for Danforth, which is recorded at page 4902 of *Hansard*. He said:

> When I first read the bill I thought that here was an operation like that which Tommy Church tried to carry out in order to get rid of the president at that time. I thought that this would be a good opportunity to dispose of the president of Canadian National Railways—

Then at page 4905 of *Hansard* the hon. member for Joliette-L'Assomption-Montcalm had this to say:

(Translation):

> As far as I am concerned, I approve the bill, hoping that enlarging the board of directors will help shelving Mr. Gordon and give new hope to the railway employees.

(Text):

The hon. member for Port Arthur was allowed to make attacks on Mr. Gordon and the hon. member for Vancouver South also cast reflections on the administration, as well as some other hon. members. It does seem to

me, sir, that if hon. members supporting the government are allowed to engage in this kind of debate, the opposition should not be limited when it seeks to elicit from the minister his views of the views that have been expressed.

Further to the point of order, Mr. Chairman, I would say, as I said the other day, that it is not proper to ask the committee to buy 12 pigs in a poke. Surely it is an extraordinary limitation of the debate that we should be asked to make up our minds to spend this extra money before we know upon what kind of people it is going to be spent and whether or not one of those people is going to be the president. I do not believe that ever before in the history of Canada has a president of Canadian National Railways or of any other crown corporation been kept on sufferance for months in the undignified way in which this government has behaved with respect to Mr. Gordon. Before I vote for any more money to be spent, I want to know whether or not Mr. Gordon is going to continue to be a director after this bill passes.

Mr. Horner (Acadia): Do you think he should?

The Chairman: Order. The hon. member is discussing the opinion I have expressed. I might point out to him that the debate on second reading is not required to be as directly relevant as it is in committee. I would say that the house has expressed an opinion on the principe of the bill during the debate on second reading, and we are now discussing the bill in committee. The provisions of the standing order which is applicable are very clear. The debate must be strictly relevant, so that means the rule on relevancy is more strictly applied than during the debate on second reading. I think it should be clear to the hon. member that now that we are in committee of the whole we should not revert to all the topics discussed during the debate on second reading.

Mr. Jones: On the point of order the hon. member for Bonavista-Twillingate raises in connection with some remarks made by the hon. member for Danforth, as reported at page 4902 of *Hansard*, I draw Your Honour's attention to the fact that on the very same page there is recorded a ruling that these remarks were out of order. Your Honour said:

> I must warn the hon. member that I think he is discussing a matter which is not within the scope of the present debate. I do not see how he can relate the choice of directors or the services of the president of Canadian National Railways to the bill which has only one effect, to increase from seven to 12 the number of directors.

Your Honour therefore made a ruling at that time to the effect that this discussion was out of order and that would confirm Your Honour in your present decision that this discussion is still out of order in the much more limited debate in committee.

Mr. Chevrier: On the point of order, Mr. Chairman, may I say it is true, as the hon. member for Saskatoon has said that, you did make a ruling. However, notwithstanding your ruling two other members went on afterward to do exactly what Your Honour had directed should not be done. As reported at page 4955 of *Hansard* of May 17 the hon. member for Westmorland had this to say:

> I believe this legislation indicates to the citizens of this country that the government at this time is very dissatisfied with the present management of the Canadian National Railways. I believe that the appointment of Mr. Gordon by the former government was a mistake. Perhaps the criticism of Mr. Gordon represents the reason that the hon. member for Laurier, when he spoke on Monday, included the following statement in his speech, at page 4843 of *Hansard*:
>
> "We on this side of the house will oppose this legislation."

Then even after that statement the hon. member for Joliette-L'Assomption-Montcalm went on to do the same thing, as my colleague the hon. member for Bonavista-Twillingate has indicated. If those hon. members were allowed to make statements in contravention of the rules, surely we are at least entitled to ask the minister for information.

Then there is this other point to which I should like Your Honour to give consideration. It has to do with the standing order you have mentioned, which states that speeches must be strictly relevant to the item before the committee. In this case the item now before the committee is that the board of directors of the national company shall consist of 12 directors. I think Your Honour would not want to say we are estopped—in fact, I am sure of it—from asking questions having to do with those directors who are now in office and who were either appointed by the previous administration or by this administration, or whose terms of office were renewed by this administration. Surely Your Honour would not want to say we are estopped from asking questions concerning those directors; and that is what all of us have done.

Then dealing more particularly with the point made by the hon. member for Greenwood, may I say this. Because that matter can be discussed at another point or in another place surely is not a reason why it cannot be discussed here, especially if it has been discussed earlier on the resolution and indeed on second reading of the bill.

The Chairman: I may say that the references which the hon. member for Laurier read from the debate on second reading were generally accidental, because I had expressed

my view. The hon. member realizes very well that one cannot prevent from being introduced into a debate a few sentences which are not relevant. However, I also said that debate was concluded. If the debate is to be strictly relevant in committee I think we have to take the bill as we find it, and it deals only with the question of an increase in the number of directors.

The hon. member said that he should be able to discuss this matter here in the chamber. He will be able to discuss it when the estimates of the Department of Transport are again before the committee of supply. I am sure that hon. members will not be precluded in any way from discussing this matter when this opportunity occurs, or before the standing committee. Because of this fact I feel that I am not taking away any right of the opposition to discuss this matter if I say it is not relevant to discuss it in this debate. In making such a decision I feel that I would not be unfair to hon. members who want to deal with this matter; and I feel that it would be only normal and reasonable for hon. members to accept the ruling of the Chair.

Mr. Martin (Essex East): Before you make your ruling final, Mr. Chairman, as I was speaking at the time and as it was my observation that provoked Your Honour's intervention, may I say something on the point of order?

I am sure Your Honour would agree that the ruling you may possibly make in the light of what you have just said would be so far reaching as to warrant further consideration by Your Honour. Whether or not there are other opportunities to discuss this matter has nothing to do with the point at issue. The question is whether the matter now being dealt with is one that can be discussed under our rules under this bill. If Your Honour takes the position that I am not to continue any further discussion involving a request of the government or of the ministry that it should defend a servant of the crown, then I say that such a judgment will be a very far-reaching decision for Your Honour to take. Your Honour shakes his head in disagreement. However, I suggest that would be a decision so far-reaching that the greatest consideration would have to be given as to its consequences.

Your Honour takes the position that under the rules of the House of Commons we can discuss only the relevant portion of the matter before us. On that ground alone may I say this. Surely we are discussing how many directors there shall be. We are entitled to ask, as the hon. member for Laurier just pointed out, how long it is proposed that the term of one of the existing directors shall be continued or whether it shall continue beyond a certain date. Surely we are entitled to pursue this kind of argument. We are entitled to insist that the minister reply. If the minister says he cannot reply we are surely entitled to give our understanding as to why he refuses to give a definite response in that regard.

The question I have raised is of another character altogether. As Sir Robert Borden has said, it is incumbent on the government to rise at once when an attack has been made upon an officer of the crown. That attack has been made in the course of this debate. Apart altogether from the matter under discussion, it is certainly open to the minister to take the first opportunity to make a defence to an attack made on an officer of the crown. Surely the Chair is not going to take the position that such is not the situation.

On the point of order my submission is twofold. I submit that, on the ground of relevancy, this discussion comes within the context of adjudication which Your Honour seems to have in mind, because the president of the Canadian National Railways is a director. We do not know how long he shall continue to be a director. We are entitled to know how long he shall continue to be a director. If the government says that it does not propose to reply, we are entitled to know why. Then we are entitled to ask this question: Is it because the government concurs in the attacks made on the president by the hon. member for Port Arthur and other giants of this House of Commons

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): Then we are entitled to insist on a reply on the other ground which I think Your Honour must respect, and that is that where an attack is made on an officer of the crown the government must reply—

The Chairman: Order.

Mr. Martin (Essex East): —and I would say—

The Chairman: Order.

Mr. Martin (Essex East): May I just finish my submission?

The Chairman: I think the hon. member has made his point of order clear. Are there other hon. members who wish to speak to the point of order?

Mr. Howard: Mr. Chairman—

Mr. Martin (Essex East): Your Honour has said that you think I have made my point clear. Your Honour, of course, has not the right to foreclose on any member or to prevent him from speaking.

Some hon. Members: Oh, yes.

The Chairman: Order. I will not entertain any discussion on that point, because it is clear that the chairman may obtain whatever assistance he desires on a point of order. However, at any time the Chair feels that the point has been sufficiently discussed, it may close the debate.

Mr. Howard: Speaking to the point of order, Mr. Chairman, I have only one or two comments to make, and it may be with a bit of temerity that I enter into the field of discussion among giants in this regard. However, in addition to what the hon. member for Essex East has said, I would say this.

Mr. Walker: On a point of order, have you not already made your ruling, Mr. Chairman?

The Chairman: I have given the floor to the hon. member for Skeena on that point.

Mr. Walker: It is on the point of order that you are allowing this discussion?

The Chairman: Yes, it is on the point of order.

Mr. Howard: I had assumed that I was rising to deal with the original point of order rather than the subsequent one which the Minister of Public Works attempted to raise. If he wishes to raise another later on we can, no doubt, engage in a discussion of that, too.

With respect I do not think it would be correct of you to insist that we should not have the opportunity of dealing with a specific subject matter at this time because later on we shall be dealing with the estimates of the Department of Transport. The inference there, I think, is that if the estimates of the Department of Transport had been completed we would be allowed to deal here with the other matter which has been raised.

That, however, is not the point to which I wish to refer now. The point to consider is, I think, that we are being asked in this legislation to dispense with the services of the present seven members of the board of directors and to appoint 12. It is not a question of appointing five additional directors. It is a question of dispensing with the services of the present seven, because this bill provides that subsection 2 of section 6 of the Canadian National Railways Act will be repealed if and when the measure now before us comes into effect, at which time there will be a new statute providing for the appointment of 12 members. Some of the original seven members may or may not be reappointed. In the circumstances I think we should be entitled to explore the possibility of the appointment of any or all of these 12 people, one of them being Mr. Gordon to whom reference has been made.

I think, too, we should keep this discussion as broad as we can for the benefit of the hon. member for Kenora-Rainy River, who on two separate occasions over a period of two years in the railway committee has advocated, day and night, an increase in the number of directors on the board beyond the number of seven. I think the opportunity should be given to the hon. member to explain whether he has changed his mind or whether the views of his colleagues on the front bench have overridden his original ideas.

The Chairman: Does the minister wish to speak on the point of order?

Mr. Balcer: No, I am not rising on the point of order.

The Chairman: I think I have made myself clear. I must say nothing which has been added to the discussion has convinced me that I should change my mind. I would only say this to the hon. member for Skeena in clarification. When I said there would be further opportunity to discuss this matter when the estimates of the department are before the committee of supply, or in the special committee set up to examine the operations of the C.N.R., I did so only to indicate that if I had a doubt as to the relevancy of this question, that would resolve it; because I should not be depriving members who wished to discuss this subject of their opportunity to do so. It is only in that sense that I referred to this possibility.

In my view the debate on second reading was a little wider than it should have been, but that is understandable because on second reading when the question of principle is under consideration the debate naturally tends to be wider in scope than the debate when a measure is before the committee of the whole. Now that we are in committee of the whole it seems to me we must consider the bill itself, which says only that the board of directors shall consist of 12 members, each of whom shall be a Canadian citizen.

Frankly I do not see how at this point of our proceedings it could be relevant to discuss personalities. It certainly could not help any hon. member come to a conclusion with regard to the proposed increase in the number of directors, because this is not a bill which refers to any individual in particular. The only thing that is relevant at this point of our proceedings is whether there is any advantage in increasing the number of directors from seven to 12 whoever they may be. I therefore decide that any reference to personalities or to the reappointment of the president

or to the administration of the present president is not relevant, and I would ask hon. members to co-operate with the Chair in applying this ruling.

Mr. Pickersgill: Is the minister about to speak? If not, I was going to ask if I could move an amendment to clause 1 which would read as follows—

One of whom in the first instance shall be the present president of the Canadian National Railways.

I so move in amendment to clause 1.

The Chairman: Would the hon. member prepare the amendment for the use of the Chair, because he knows it has to be in writing. Would the hon. member for bonavista-Twillingate now indicate if in his opinion this is an amendment which could properly be inserted at this point, and if it would not be in contradiction with another clause of the bill which provides that the directors shall be appointed by the governor general in council?

Mr. Pickersgill: I would point out to Your Honour that the present clause now contains the words "each of whom shall be a Canadian citizen". That is a qualification. If parliament can lay down that qualification, then it can surely lay down another qualification, for example "one of whom shall in the first instance be the present president of the C.N.R.". That would not limit future appointments.

My purpose in moving this amendment will be clear to Your Honour. It is to make it competent for us, without any doubt, to discuss whether this would be a desirable amendment to the present bill. It seems to me that the amendment is on all fours with the other phrase now in the bill, "each of whom shall be a Canadian citizen". If that phrase is in order then the amendment is in order, and since this amendment has nothing to do with remuneration it would not impose any additional charge on the crown.

Mr. Aiken: Without putting the question, would you give us the exact wording of the amendment, Mr. Chairman, because there have been no copies provided to us. I wonder if you would have it read?

The Chairman: Yes. Mr. Pickersgill moves:

That clause 1 be amended by adding the following words after the word "citizens" in line 9— "and one of whom in the first instance shall be the present president of the Canadian National Railways."

Mr. Balcer: Mr. Chairman, I submit that this amendment is absolutely out of order in view of your ruling a moment ago that this bill should not be the subject of debate in respect of personalities. We are only discussing an amendment to a section of the act by which we will increase the number of directors. The proposed wording is that the board of directors of the national company shall consist of 12 directors, each of whom shall be a Canadian citizen, and I submit that in accepting an amendment which states who shall be a director we would be allowing any hon. member to submit an amendment stating that the present directors shall be members of the board of directors, thereby destroying the whole principle of the bill.

The principle of this bill is to increase the number of directors, not to discuss personalities or to appoint particular individuals. This bill does not appoint Mr. So and So as a director of the Canadian National Railways; it simply increases the number of directors on the board of directors to 12, who will be appointed by order in council, as has always been the case in the past. By accepting this amendment we would be attacking the principle of the bill, and on that ground I submit that the amendment is out of order.

Mr. Howard: Mr. Chairman, I rise on a point of order. I gather from what the Minister of Transport has said that the acceptance of this amendment would encourage a reference in the bill to individuals, opening the door to further references in the bill to the present seven directors as part of the total 12 so that parliament could then decide who should be on the board of directors of the Canadian National Railways, and he opposes it on this ground.

I should like to ask what is wrong with that principle. Is parliament not the supreme authority in this regard, or does the cabinet wish to maintain its control in making political appointments, the same policy followed by the Liberals in the past? While in essence I am absolutely opposed to the amendment, I suggest this is not the subject matter which is before us now. I suggest it is perfectly in order for parliament to decide who shall be on the board of directors of the Canadian National Railways, which is a crown corporation. I submit that parliament is competent to decide who shall be the individuals appointed to the board of directors. I suggest that if parliament did this there would be less political hanky-panky and less political influence in the operation of that railway than in the past, such as in the appointment of Donald Gordon, who the Liberal party is now attempting to have reappointed.

Mr. Aiken: Mr. Chairman, I should like to say a few words about this matter. In deciding whether the amendment is in order we must consider its results. It is my understanding, although I do not have the act

[The Chairman.]

before me, that directors are to be appointed by order in council. If we should vote on this amendment today one of two results would follow. If the amendment were carried the present president of the Canadian National Railways would be reappointed—the opposition appears to desire this—and the complete purpose of the act would be demolished. If the amendment were negatived the question of the appointment of the present president would have then been settled. I think this is completely out of order, because it would be in conflict with the other sections of the act. One section of that act requires that appointments be made by order in council, but by this amendment we would be appointing one of the directors by name. That seems to be the purpose of hon. members of the opposition in moving this amendment.

The Chairman: Order. I feel this matter can be disposed of at this point. I should first like to make two or three comments.

As has been pointed out, this amendment is contrary to certain sections of the act as it is now and as it would be if the amendment were adopted. The present act requires that the board of directors shall consist of seven directors, each of whom shall be a Canadian citizen, and that each director shall be appointed by the governor in council for a term not exceeding three years. I suggest this amendment would therefore be in opposition to that last requirement.

Second, I fail to see how an amendment which would force the present president to remain a director indefinitely, could be in order, and that is what this amendment does.

I mention these two points to indicate that the form of the amendment is doubtful. However, I feel the amendment can be disposed of on the much safer ground that it goes beyond the scope of the bill. The purpose of this bill is to increase the number or directors from seven to 12, but not to appoint them. Appointment of these directors is left untouched by this bill, and I therefore rule the amendment out of order.

Mr. Chevrier: Mr. Chairman, prior to the amendment being moved you made a ruling in connection with the discussion on clause 1, and I respectfully appeal your ruling in that regard.

The Chairman: It seems to me that your objection should have been taken when the ruling was made.

Mr. Chevrier: The amendment was moved by the hon. member for Bonavista-Twillingate after your ruling.

The Chairman: The hon. member should have appealed at that point.

Mr. Chevrier: I did not have the opportunity of doing so at the time, and Your Honour ruled that on clause 1 a consideration of matters outside that of the number of directors should not be allowed. If that is the ruling which Your Honour now reaffirms, I submit with deference that it is in error because, as the Minister of Transport has stated, it would then be a question of discussing personalities and—

The Chairman: Order. I do not see how the hon. member can now appeal a ruling which was made several minutes ago. I suggest that the proper time to have made an appeal was when the hon. member for Bonavista-Twillingate moved his amendment, and I now rule that the hon. member is too late.

Mr. Benidickson: Mr. Chairman, may I say a word or two on the point of order?

The Chairman: Order. It is not necessary for the hon. member to do so now, because it seems very clear that it is too late. If the hon. member wishes now to appeal my decision that he is too late, I suggest that is the only proper course for him to follow.

Mr. Martin (Essex East): Mr. Chairman, I have listened with interest to the discussion which has taken place during the last ten minutes, and I am now strongly of the opinion that the minister should take this opportunity—particularly when the Prime Minister is present, because of his responsibility as leader of the house—to rise and either defend or join in the repudiation that has been made of the president of the Canadian National Railways.

Some hon. Members: Order.

The Chairman: Order.

Mr. Harkness: The chairman has ruled you out of order.

Mr. Martin (Essex East): Since when did you become the chairman?

The Chairman: Order.

Mr. Harkness: The chairman is on his feet.

Mr. Martin (Essex East): Thank you for telling me that.

The Chairman: Order.

Mr. Martin (Essex East): I am very pleased to know that.

The Chairman: Order. I ask the hon. member for Essex East to co-operate with the chairman in applying the ruling which has been made.

Mr. Chevrier: Mr. Chairman, the ruling which you have now made, I now appeal, as I have the right to do under the rules of the house.

The Chairman: Order. A ruling has been made, and I am asking the hon. member for Essex East to refrain from discussing a matter which I have indicated is not relevant.

Mr. Benidickson: You have made a new ruling.

The Chairman: I am asking the hon. member for Essex East to co-operate with the Chair, and if that is what the hon. member for Laurier opposes, that is another matter.

Mr. Martin (Essex East): Your Honour has asked me to co-operate with you, and the implication of that is that I was not co-operative.

Some hon. Members: Hear, hear.

Mr. Martin (Essex East): I should like Your Honour to know that is a statement to which I take the strongest exception. The Chair must exercise the greatest measure of impartiality in everything it does.

Some hon. Members: Order.

The Chairman: I do not think the hon. member for Essex East can draw this conclusion from what the Chair said. But he is now embarking on a criticism of the Chair, which is clearly out of order.

Mr. Martin (Essex East): What I said was that the Chair must exercise the greatest impartiality possible, and when Your Honour asks me to co-operate the suggestion clearly is that that co-operation has not been forthcoming from me, and that I fully repudiate. What I am doing now—

Mr. Macdonnell: No, not always.

Mr. Martin (Essex East): There may be occasions when through inadvertence that has not been so, but I was dealing with a particular situation. I do ask the minister to rise and defend a public servant, and Your Honour is now taking the position that that is a violation of the ruling you have already made. I strongly suggest that that is not the ruling Your Honour made. At no time did Your Honour state that a member could not rise and ask the minister simply to defend a civil servant. That is the only thing I am asking. I am not now asking—

Mr. Diefenbaker: A civil servant?

Mr. Martin (Essex East): Or a servant of the crown. I thank the Prime Minister for that inconsequential correction. If Your Honour is taking the position that I have not the right to put this question to the minister, then it is a new ruling, because it certainly was not embodied in the original adjudication which Your Honour made a few moments ago. I ask the minister to reply, as he should.

[Mr. Chevrier.]

The Chairman: I submit that it is clearly within the ruling I made a few moments ago, and that the same ruling applies in this instance.

Mr. Chevrier: I revert to what was done originally. Your ruling was made, and an amendment was moved to clause 1. It was ruled out of order by Your Honour. There was no opportunity to appeal your ruling on clause 1. I ask now that your ruling be appealed in accordance with the rules of the house.

Mr. Aiken: I thought it was quite clear, Mr. Chairman, that after you made your ruling the hon. member accepted it and then went on to say "In that case I move an amendment". I think that is exactly what happened.

Mr. Chevrier: No.

Mr. Aiken: The ruling was accepted at that time.

The Chairman: I have made it clear that an appeal from the ruling I made before the hon. member for Bonavista-Twillingate moved his amendment cannot be entertained now. I think the question has been disposed of.

Mr. Chevrier: Is Your Honour holding that at this time an appeal cannot be made on the ruling you gave concerning clause 1?

The Chairman: I made myself clear. I said it was too late now to appeal from the ruling which I made before the hon. member for Bonavista-Twillingate moved his amendment to clause 1. That is the only decision of the Chair. It seems to me it is clear.

Mr. Benidickson: A black Victoria day.

Mr. Howard: Mr. Chairman, this is obviously a bit of front on the part of the Liberal party; it is a little sham battle. The Liberal party does not want to get involved in this sort of thing. They want to play the political game both ways, intimating they want to support Donald Gordon, yet they do not really want to vote for or against this bill, which is typical of the entire Liberal party and its attitude to this sort of thing. If they had been insistent and on their toes certainly one of them would have risen to his feet at the appropriate time and appealed your ruling, Mr. Chairman. This is traditional with them.

Mr. Martin (Essex East): Thank you.

Mr. Howard: I do not know to whom the thanks of the hon. member were directed. To deal with the specific subject matter before us, namely the number of directors to be appointed to the C.N.R. board, I think it would be in order to express opinions as to

the type of individuals who should be appointed as directors of the railway; that is, the general work area from which they should come. Specifically, I think one of the major reasons for inefficiency in the operation of the railroad at the moment is that the present president himself is not a railroader and has only a foggy notion as to how railways operate. I am not suggesting that I have much of a notion as to how they operate, either, but this is the considered opinion of hundreds of workmen on the railroad, and also of people in managerial positions. Their opinion is that the present administration of the railway, the present board of directors headed by the president, is not one which has too much knowledge of railroading itself. When the appointment of the 12 members to the board of directors takes place the very fullest consideration should be given to appointing individuals who are in fact railroaders, who have come up through the ranks and know something about the operation of a railroad. If this were done; if the board of directors were to consist of the largest possible number of people who were in fact railroaders, the operation of the railway itself would be far more efficient and there would be a chance of the railroad operating in the manner in which a railroad should and not, as it does in many instances at the present time, to the advantage of a competing railroad, notably the Canadian Pacific.

Will you call it one o'clock, Mr. Chairman?

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

Mr. Howard: Mr. Chairman, the substance of my earlier remarks had to do with the composition of the board of directors after this legislation is passed. In my view the membership of the board must be such as to have the largest possible number of people from the railroad industry rather than from the professions of law, accounting and so on. I think that is one of the reasons there are difficulties in the operation of the C.N.R. at the moment. As I said, certainly it is one of the reasons for discontent among not only the hourly paid railway employees but also a certain proportion of the salaried staff. They claim that the president of the railroad is not a railroader himself and consequently does not have the full and deep appreciation of the problems involved that a railroader would have.

I also think that the 12 directors should be the type of men who would want to see the Canadian National Railways system operate efficiently and in such a way that preference is not given to the C.P.R. I think there is such an attitude at the moment on the part of the board of directors which should be overcome and will be overcome if care is exercised in the selection of the 12 people who are to be directors.

If it is permissible I should like to make a brief reference to the joint ownership of Northern Alberta Railway company by the C.N.R. and C.P.R. In the loading and spotting of cars preference is given to Canadian Pacific rolling stock on the profitable runs while the less profitable runs, in terms of both distance and commodities carried, are given to the Canadian National. Undoubtedly this is done with the consent or knowledge of the board of directors of the C.N.R. The loading and spotting of cars are carried out in such a way that the Canadian National financial structure suffers while the Canadian Pacific financial structure benefits.

Mr. Macdonnell: Would the hon. member permit a question? The statement he has just made strikes me as so extraordinary that I wish he would give us some evidence with respect to the basis for his statement so that the rest of us may assess it properly. On the face of it his statement seems impossible to believe, and if he has any evidence to support it I should like to hear it.

Mr. Howard: I will be glad to go into the matter further. I have here a reissue from Edmonton, dated March 7, 1961, of a circular dated December 1, 1960. There is a reference to file DT-914. The circular is addressed to all agents and there is the heading, "Ordering and spotting empty equipment". Perhaps I might read the part that is relevant to what we are discussing. First there is a reference to certain types of cars that are available, and then the circular goes on to say:

> Cars of Canadian Pacific ownership must be loaded to competitive stations such as Vancouver, lakehead, Calgary, et cetera. Specify C.P. cars on your daily yard report.

This is one indication that Canadian Pacific cars must be loaded to competitive stations.

The Chairman: Order. I do not want the hon. member to go too far in this direction, because I do not see how he can relate what he is saying now to the increase in the number of directors.

Mr. Howard: That is why I simply made the general statement initially that this procedure obviously reflects the attitude of the directors, and it was only in answer to a question that I quoted part of the circular. I will be glad to make it available to the hon. member for Greenwood in order that he may read it at his leisure. The gist of the matter, and I think this is borne out by this circular issued

by the Northern Alberta Railway, is that at the present time the C.N.R. board of directors undoubtedly takes the attitude that in a number of instances preference will be given to the Canadian Pacific while on less profitable runs preference will be given to the C.N.R. On the long, lucrative hauls Canadian Pacific cars are specified while on the short, non-lucrative hauls Canadian National cars are specified.

This, of course, is not an isolated instance. I think almost anyone having anything to do with either the C.N.R. or the C.P.R. will be able to cite additional circumstances which show substantially the same thing, that at the present time the Canadian National is not operated at peak efficiency. It does not engage in activities in which it should engage, and to a great extent I think this is the fault of the directors of the railroad.

The Chairman: Order. I do not see how the hon. member can relate his remarks to the number of directors. I have indicated before that the present administration of the C.N.R. and the acts of the present directors are not relevant to the debate.

Mr. Howard: Certainly I do not want to run afoul of your rulings in any way, Mr. Chairman, but I thought I was on the correct course so far as the rules are concerned, or maybe I should say on the right track, because in my initial remarks I mentioned that the clause under consideration seeks to provide 12 directors for the C.N.R. I also pointed out that in the selection of these directors consideration should be given to choosing people who know the railroad business in order that the railway will be able to operate at the highest possible peak of efficiency. I submit it is not operating in that manner now primarily because of the background of the president of the railroad, who is also on the board of directors, and that of other officials as well.

I thought I was on the right track, Mr. Chairman. I mentioned that I had been allowed to make these remarks without anyone calling me to order—I am not casting any reflection upon yourself—and I assumed I could proceed along this line. I was saying this is the way the board of directors should be made up, and this is the type of representation there should be on the board of directors once this legislation is passed, in order to ensure that the things which I mentioned a while ago in connection with the Northern Alberta Railway do not occur again. We should ensure also that Canadian National Railways operates to the peak of efficiency and does not operate primarily to the advantage of the Canadian Pacific, as it has in some instances.

I think, Mr. Chairman, that in order to follow your ruling and your suggestion I should not make any additional remarks along that line, because I will obviously be called to order and I certainly do not want to run afoul of the rules of the house.

Mr. Browne (St. John's West): How many times have you said that?

Mr. Howard: I beg your pardon?

Mr. Browne (St. John's West): You are only talking and wasting time, and you have been out of order.

Mr. Howard: This, Mr. Chairman—

Mr. Browne (St. John's West): I suggest that the hon. member has been out of order for the last 15 minutes. He has been repeating over and over again his remarks about something that happened out in Edmonton.

Mr. Howard: If I could speak to the point of order, Mr. Chairman, I would point out that the Solicitor General has been derelict in his duty in not raising this point if he felt that I was out of order. Second, Mr. Chairman, what a statement for a cabinet minister—junior "B" at that—to make, to accuse people of wasting time in this house merely because they seek to get to the core of a particular problem. The Solicitor General might want to protect the government in this field—

The Chairman: Order.

Mr. Howard: —but I think it is an uncalled for and unstatesmanlike remark.

The Chairman: I think the point of order raised by the minister was well taken. As I indicated before, I thought the hon. member was taking a rather long detour to come back to the point.

Mr. Martin (Essex East): I just noticed that when the hon. member was replying to the Solicitor General, Mr. Chairman, you interrupted him. Now, I do not believe the Chair has the right—

Some hon. Members: Oh, come on.

Mr. Martin (Essex East): I do not believe the Chair has the right to interrupt an hon. member when he is making a reply which is admittedly not out of order, because he was dealing with the very point at issue. I say with some conviction and confidence that that kind of intervention by the Chair is not warranted.

The Chairman: If the hon. member believes there is any blame attaching to the Chair, he knows how he should proceed. I believe it is up to the Chair to intervene when some hon. member is making comments which are

not relevant to the point of order which was raised. The hon. member for Essex East has had enough experience in the house to know what the rules are and what the rights of the Chair are.

Mr. Martin (Essex East): I have enough experience to know when the Chair is wrong.

The Chairman: The hon. member may not say that to the Chair except by a substantive motion. He knows that, and I will not entertain any more of these remarks.

Mr. Martin (Essex East): I would have the Chair know that it has never been the practice to deny an hon. member the right to say to the Chair that he holds a contrary view.

The Chairman: A contrary view; that is correct, but not a criticism of the Chair.

Mr. Aiken: It is a bad morning.

Mr. Martin (Essex East): It is bad, all right; it is a black day.

Mr. Howard: What I was in the course of saying when I was interrupted by the Solicitor General was that his accusation of wasting time is certainly quite a reflection on the position that hon. gentleman holds in the cabinet.

The Chairman: Order.

Mr. Howard: To me?

The Chairman: Yes, I was asking the hon. member to come back to a discussion of the bill. This point of order has been disposed of.

Mr. Howard: I have no further comments. I am not allowed any further comments, not even to ask the Solicitor General to withdraw that unfair accusation? If such is the case, Mr. Chairman, I have no other recourse but to take my seat.

An hon. Member: You may as well have been there, anyway.

Mr. Howard: What obscene applause.

The Chairman: Shall clause 1 carry?

Mr. Chevrier: No, Mr. Chairman. There are a number of questions which have been put to the minister and which I think should be answered in accordance with the practice when we are discussing clause 1. I have asked the minister who are the directors of the Canadian National Railways who are now on sufferance. There are seven directors presently among these 12 who are to be confirmed by this bill. I ask the minister who are the directors whose terms of office have not been renewed.

Mr. Balcer: Mr. Chairman, at the present time there are four directors whose terms of office expired on September 30, 1960. However, section 6, subsection 4 of the Canadian National act provides that these directors shall remain as directors until their successors are appointed or they are reappointed. There are two directors whose terms of office expire on September 30, 1961, and there is a seventh whose term of office expires on September 30, 1962. Of the four directors whose terms expired on September 30, 1960, one has since died.

Mr. Chevrier: What are their names, Mr. Chairman?

Mr. Balcer: The names are Mr. Donald Gordon, who was appointed as director and chairman on September 30, 1957; Mr. H. W. G. Gagnon, who was appointed September 30, 1957; Mr. J. A. Northey, who was appointed on the same date; Mr. Herbert Marsh, who was appointed September 30, 1958; Mr. Gerald Stewart, who was appointed September 30, 1958, and Mr. J. R. Griffith, who was appointed September 30, 1959.

Mr. Chevrier: May I ask the minister what are the duties of the directors of the Canadian National Railways?

Mr. Balcer: They have the duties assigned to them by the Railway Act.

Mr. Chevrier: By the Railway Act or by the Canadian National Railways Act?

Mr. Balcer: The Canadian National Railways Act.

Mr. Chevrier: Can the minister tell me where those duties can be found in the Canadian National Railways Act?

Mr. Balcer: I have not got the act in front of me, but I shall endeavour to find out.

Mr. Benidickson: While the minister is checking the Canadian National Railways Act I should like to say a few words about clause 1, which proposes to increase the number of directors of Canadian National Railways from seven to 12. It is quite true that on May 15 and 16, during the discussion of the resolution related to this matter, I was absent from the house. I felt that some of the C.N.R. problems and some of the other major problems related to this country can only be decided if the shareholders of the C.N.R. and of this country on May 29 reach a favourable decision and indicate that they are not satisfied either with the C.N.R. or with some other matters related to our country.

Since returning to this chamber I have been asked about the statements I made when the committee on railways, air lines and shipping met last year, and how I reconciled the views I expressed on March 28 and 29, 1960 with those expressed by spokesmen of our party in the debate last week. I have

no difficulty whatsoever in this respect, Mr. Chairman, when I refer to clause 1 of the bill before the committee.

When I advanced, as the hon. member for Vancouver South quoted me as saying, the suggestion that we might very well in the interests of the Canadian National Railways enlarge the board of directors, as reported at page 154 of the proceedings of the sessional committee on railways, air lines and shipping, it will be found that I based my views on the belief that we could enlarge our board of directors for the purpose of having a larger crowd of boosters for the C.N.R. I was away last week, but when I read the debates that took place here I note that, as I would have expected, we do not find in the Conservative party boosters for the C.N.R. On the contrary, we find among their ranks those who always have something of ill will to say about the Canadian National Railways. In addition, as can be found at page 154 of the proceedings of the committee, in the remarks I made last year I stated:

> There are many businessmen of great promise in private life who would consider a directorate in the C.N.R. a matter of compliment, honour and responsibility.

I also said that in the main the type of persons that I would seek to put on an enlarged board of the Canadian National Railways would be those associated with the provision of freight in large quantities for the Canadian National Railways. I advanced some examples with respect to the directorate of the Canadian Pacific Railway.

When I made those remarks in the committee last year, Mr. Chairman, I must confess that I had not looked carefully enough at the appointments that had been made by this present government since June, 1957 when they took office in Canada and up to the time of my remarks in the committee on March 28, 1960. I assumed that they were honour bound to place on the directorate of the Canadian National Railways those who would advance the interests of the Canadian National Railways first and foremost. I did not assume that they would appoint to the directorate of the C.N.R., which is not merely a multi-million dollar incorporation but a multi-billion dollar corporation, any persons other than those who were the best possible available in this country to advance the interests of the Canadian National Railways and ensure its success.

Since those remarks were made by me in the committee I confess that I have examined with more care the appointments that have been made by this government to the board of Canadian National Railways, and as a result I have some diffidence about saying by my vote "Me too", that I approve an enlargement of the board through appointments of that type in the period that is ahead of us, the short period of time that might be available to this government before they lose office in which to make those appointments to the board of the Canadian National Railways.

I speak after some consideration and examination of the appointments that have been made to this board since 1957. For years and years since the Bennett government was in office, which government had no friendship for the Canadian National Railways, I assert, without any possible difficulty with respect to refutation that the Canadian National was given a directorate of citizens of this country, under the former Liberal administration, who would be beyond question likely to provide what I asked for in the committee last year, namely men who had connections with business people across this land and who were likely to provide freight, patronage, good will and prestige to the Canadian National Railways.

Since the advent of this government I assert that the Canadian National Railways has become a patronage vehicle. Indeed as the hon. member for Laurier asserted, it is related to unemployment because this might even be regarded as an unemployment measure. Defeated candidates of the Conservative party have been appointed to its board of directors. The hon. member for Bonavista-Twillingate suggested that perhaps those who have some insecurity in the present situation might even be prospective candidates for this board in future. I observe the hon. member for Greenwood looking at me a bit askance.

An hon. Member: Can you blame him?

Mr. Macdonnell: Is the hon. member going to give us some facts to support this astounding statement?

Mr. Benidickson: Yes, I am going to give some facts to the hon. member for Greenwood. As I always do, I accorded him the courtesy of looking up his remarks, which are always greatly valued here in this chamber. I found that in my absence which I have admitted, the hon. member for Greenwood contributed to the debate at the resolution stage and made reference to one appointment and one appointment only. In referring to appointments to the C.N.R. board of directors made by the present administration he referred to the late Mr. E. W. Bickle, a businessman of great note and renown. As found at page 4851 of *Hansard,* the hon. member for Greenwood in referring to the calibre of directors that would be expected for this multi-billion dollar public enterprise stated as follows:

In my opinion the appointments that have been made are excellent. Mr. E. W. Bickle died regretted by everybody. I think he was a great asset to the railway.

I suggest to the hon. member that I have no quarrel there. Although I never met the late Mr. E. W. Bickle, I know something about his business connections. Even though he was national treasurer of the Conservative party, I do not hold the fact of appointment to the C.N.R. against him. He was an eminent businessman with widespread business connections which I think would be an asset to the Canadian National Railways. Then the hon. member for Greenwood—and I think this is where he is blind—went on to say this:

We have no reason to think that we will not get other men of the same calibre.

I just want the hon. member for Greenwood to look at the appointments that have already been made by the present Conservative government. There was a member of the board of directors representing the Atlantic provinces who had some connection with business in a way which I think would likely provide what I call freight to the Canadian National Railways. I am not going to mention his name, but he was replaced by a defeated Atlantic area Conservative candidate. I do not hold this against him, but I do not know very much about this gentleman because I cannot find his name in the Canadian "Who's Who". His predecessor figured in that publication and was connected with many businesses; he was a man who could be expected to bring business to the C.N.R.

I find that in the provinces of western Canada which I know best a retired director of the C.N.R.—a man not referred to by the hon. member for Greenwood—who was the president of one of the largest grain shippers in western Canada was replaced by this government. As I say, this was not referred to by the hon. member for Greenwood when he mentioned a distinguished Canadian, Mr. E. W. Bickle. This replacement to represent western Canada was a man who, according to "Who's Who", prior to his appointment was connected with an investment trust, a business which provides no freight. However, he is said in "Who's Who" to be the treasurer of the Conservative party in his province.

Mr. Pickersgill: Which province is it?

Mr. Benidickson: It is the province of Saskatchewan. If one looks at the business connections of this affluent man one cannot find in "Who's Who" anything which could provide any traffic for the Canadian National Railways.

When I made the statements I did in the committee last year it is clear I was suggesting an enlargement of the board to provide men of good will to the Canadian National Railways. I indicated I had even suggested this to my former chief, the present hon. member for Laurier. But my hon. friend from Laurier, as well as the former minister of transport, now Minister of Trade and Commerce, Mr. Hees, had the opinion that I was wrong. I was expecting that appointments of this kind would not be of a nature which would provide a patronage vehicle—an unemployment measure in favour of defeated Progressive Conservative candidates—but that they would be made along the lines I suggested to the committee on railways, air lines and shipping not only last year but on earlier occasions.

I say that the C.N.R. has not been created to provide a prestige berth for treasurers and collectors for the Conservative party and defeated candidates. It was not established for the purpose of giving office and high prestige to tribute collectors. What we need is men of good will with good connections in business and industry. If I felt that this was implicit in the bill before us then I assure the government I would be prepared to support it in accordance with the observations I have previously made, but the record stands against them. I do not trust this government to make appointments, judging from the nature of the appointments they have made so far on a basis of about four to one.

On that basis I cannot support this proposal. What we have here is not a proposition to enlarge the board for the purpose of creating good will, an expansion of freight traffic and an improvement in the other business of the railway. I suggest the only kind of freight which will be provided by enlarging the board of this company is political freight, and they are running deadhead in the appointments which have been made so far, with perhaps one exception which the hon. member for Greenwood carefully selected, ignoring the others.

In the past western Canada had on this board of directors a man, now replaced, representing Canada's largest industry who was concerned with the carriage of grain by the railways of this country. I have indicated that in spite of this we have seen the appointment of an investment man who, regardless of his merit and personal qualifications, including those possessed by a collector for the Conservative party, is not, I suggest, representative of western Canada.

I notice that last week there was some discussion about the executive committee of the C.N.R. I had some experience of this in

the past but I must say I did not realize, if it was always the case, that the executive committee is appointed by the president of the railway. I can tell all my colleagues in this house that if that is so I do not approve of it. I think the executive committee of the board of directors should be appointed by the vote of the board of directors, as is the case with the C.P.R.

I do want to say that this government has not replaced a farmer from western Canada by a farmer. In the former executive committee of the Canadian National Railways, as I remember it, there was among this small group a representative of labour. He happened to be a personal friend of mine—

Some hon. Members: Oh, oh.

Mr. Benidickson: He was no political friend of mine; I know nothing about his politics. I am thinking of my boyhood on the prairies at the age of 12 and of my knowing at that time a certain member of the railway running trades working out of the C.N.R. Dauphin terminal. He was a man who rose to become a distingushed labour director of the C.N.R. Mr. Daly. I only met him once after I had matured, but he was a representative of the labour force on that executive committee and for a long time he was a resident of the city of Dauphin, as I was. However, as I say, in later years he was a member of the executive committee and I think he held that office for more than ten years. The former minister of transport, my colleague the hon. member for Laurier, knows more about that than I do.

What I wish to say is this. Where is the representative of labour now on the C.N.R. executive committee? In our committee last year a question was raised which I feel should receive some amplification. That was the propriety, if it happened, of a former member of this house taking a position on the directorate of either of these big railways.

At page 153 of the proceedings of the sessional committee on railways, air lines and shipping I made reference to an individual who I think certainly was the father of Trans-Canada Air Lines, and who has provided great qualities of leadership to Canadian National Railways. I refer, of course, to the late Right Hon. C. D. Howe. One of the greatest tributes that can be paid to the Canadian National Railways, with reference to the late Mr. Howe, is found in the calibre of man he suggested, when he was the minister, should be appointed to the board of directors of Canadian National Railways. I am sure the influence of his suggestions prevailed on his successor, as minister of transport, in so far as the calibre of man required was concerned.

[Mr. Benidickson.]

I find nothing in the appointments that were made by Mr. Howe or his successor that would indicate that the Canadian National Railways have become the tool of a political organization or party, and I feel it is unfair to make such a suggestion in respect of that person who was champion of the Canadian National Railways for such a long period of time.

Perhaps the statement was made because of the lack of facts, however, as indicated at page 153 of the proceedings of the railways, air lines and shipping committee. The present member for Port Arthur, a man described as a learned reader and perhaps a giant in that field, as reported on page 153 of the committee:

> I have gone through the C.P.R. annual report, and I find in reading that report that Mr. Crump is not the only one who speaks to the shareholders. As a matter of fact, I have seen records where Mr. C. D. Howe has spoken to the shareholders, and a certain number of the directors make comments. This is the sort of thing I thought might be possible with the C.N.R.

Then I said at that point, as reported on the same page:

> Is Mr. Howe a director of the C.P.R.?

Mr. Chairman, I rose at that point because I knew that Mr. Howe, having been so long the champion of efficiency and advance for the Canadian National Railways was not likely to very popular with the C.P.R. directorship. The hon. member for Port Arthur then is reported as having said "yes", followed by the hon. member for Burnaby-Richmond, as follows:

> Have you lost track of what he is doing now? Mr. Benidickson: Yes, in this respect, even if he was my near ex-neighbour in a northern Ontario riding.

I have checked the annual reports of the Canadian Pacific Railway—

Mr. Fisher: Mr. Chairman, may I ask the hon. member if he heard the apology I made both in the committee and in the house relative to this statement, and the explanation I gave; that I had confused the report of the Bank of Montreal and the annual report of the Canadian Pacific Railway? I cannot see the relevancy of his remark if he heard that apolcgy and explanation.

Mr. Benidickson: Mr. Chairman, I confess that I had not heard that explanation, or seen it. If I had, I should not have raised this subject. My colleague the hon. member for Essex East assures me that such an apology and explanation was made by the hon. member for Port Arthur, and I accept that immediately as being so. I assure that hon. member that I would not have raised this argument had I been aware of the circumstances.

Today we have this blossoming forth of vice presidents, executives and officers of the C.N.R. in a fashion that was not contemplated by the committee last year. If we were to rely upon the rosy prospects as presented to us by the Minister of Finance last year, we should not have expected the unemployment situation that presently exists. The hon. member for Laurier was perfectly relevant in saying there is tremendous resentment across this country today because of the fact that we are now enlarging the board of directors. The existing board of directors, as now constituted, have approved the enlargement of management, in respect of vice presidents, to a much greater number than is available to the Canadian Pacific Railway.

Now is not the time to provide employment to defeated candidates and treasurers and others of the Conservative party. On the contrary, this parliament must insist that the management of these railways be checked very carefully because of the tremendous obligations, in respect of maintenance and employment, with which we are involved, as well as because of the effects this has on our national economy. I think the employees of the Canadian National Railways would be the first to admit that the time they are going to be hurt, in so far as lay-offs are concerned, will be this time when the C.N.R. is in poor shape so far as its balance sheet is concerned, and in so far as its income and outgo are concerned. That is the time when job slaughtering occurs.

I suggest the government should give management confidence, but at the moment even the president is not aware of his position. I do not advocate that he be reappointed, but I do suggest that what is lacking, as in every other sphere of operation in connection with government, is leadership and decisiveness. This is a multi-billion dollar corporation, but the government stands idle in its policy so that even the C.N.R. president does not know whether he is going to last until next week.

Mr. Balcer: Mr. Chairman, we have witnessed this afternoon a perfect example of a political somersault. The hon. member for Kenora-Rainy River has our sympathy in this regard, because he was in a very tough spot. There can be no doubt that he has been a great advocate of increasing the number of directors of the Canadian National Railways. He was not here last week when we discussed this bill, but he now comes into the committee with his dream of the last few days, which I doubt very much if anyone will bite on. When the hon. member appeared in the sessional committee last year he knew that every person he has named this afternoon had been a director of the C.N.R. for at least two years; but all of a sudden, in the last few days, he has found out that fact.

In 1959, almost a year before that committee's hearings, the hon. member made a very forceful and excellent argument in favour of increasing the membership of the board of directors of the Canadian National Railways. He made another forceful speech in this house on June 15, 1959, at which time he presented exactly the same viewpoint he has presented this afternoon. I should like to ask him now, Mr. Chairman, through you, to inform us at which time he was expressing his true opinion; is it today, or was it when he appeared in the sessional committee?

This afternoon he suggests that the government intends to use the board of directors of the C.N.R. as a political tool. I should like to inform him that this government has appointed some very excellent public servants to that board of directors, and will continue to do so. As I have said earlier, the government intends that directors on the board of the Canadian National Railways shall be first Canadians; second, good businessmen; and finally, individuals who have at heart the good of this country as well as the welfare of the Canadian National Railways, on which board they have been appointed.

Mr. Benidickson: Let us carefully analyse the appointments made by the new government since it assumed office. Will the minister deny that Mr. Bickle was national treasurer of the Conservative party? Will he deny that the second director happened to be a defeated Conservative candidate? Will he deny that the third director happened to be the treasurer of the Conservative party in a province? Will he deny that the labour representative was a reappointment which could not be abused but he had been appointed by the previous government?

Mr. Balcer: To show precisely that we are not playing politics in those appointments, may I say we did not hesitate to reappoint Hon. Wilfrid Gagnon, who had exactly the same position as far as the Liberal party is concerned as Mr. Bickle had in the Conservative party.

Mr. Horner (Acadia): I have been somewhat interested in the remarks made this afternoon regarding increasing the number of directors of the C.N.R. from seven to 12. As some hon. members may know, Alberta has not been favoured with a representative on the board. Alberta is one of those provinces which have been very greatly concerned over railroading and railroading problems over the years. I heartily support the proposed legislation to increase the number of directors of the C.N.R. mainly because when

that is done all provinces will perhaps be truly represented on the board of directors, and the members of the board will then be able to bring to the attention of the management of the C.N.R. problems concerning their various provinces.

In the 1960 railway committee the hon. member for Kenora-Rainy River stated the reasons why he thought the number on the board of directors should be increased. I agree with him in so far as the reasons are concerned. One of the reasons was that a large group could keep in touch with potential suppliers of business. This is certainly true. The hon. member went on to point out that the Canadian Pacific Railway had something like 25 directors on its board. There is quite a marked difference between seven and 25.

If the whole reason for increasing the number from seven to 12 was patronage, I do not know why the government would stop at 12. Why not make it 25 and give that many more jobs? I do not think that is the reason. The reason is to bring about a higher degree of efficiency in management with the least cost, and to give representation to all parts of Canada.

In the 1960 committee reports at page 154, the hon. member for Kenora-Rainy River went on to say that governments in the past as well as now have been missing the boat. Those were the words he used, and he suggested the number should be increased.

Mr. Benidickson: Not by appointment of political friends.

Mr. More: Don't be so self-righteous.

Mr. Horner (Acadia): We will deal with political friends in a minute. The hon. member went on to say:

> I think the directorate in the C.N.R. is too small in number, that it puts too much responsibility on management, and is not developing freight in the way that the rival company is.

This is the very point. The men appointed to the board of directors should be those with a particular knowledge of railroading and how it affects various parts of Canada, so they might aid the C.N.R. in developing business and freight, and who are in touch with potential suppliers of business.

We had a great deal of discussion in the committee this morning with regard to this subject and I do not intend to belabour it, other than to say I was interested in the point of view of the official Liberal party and in the fact that in the amendment moved by the hon. member for Bonavista-Twillingate he suggested the present chairman of the board of directors should be reappointed. The hon. member went to great lengths to move his amendment, which was seconded by the hon. member for Laurier. This is a point that should be emphasized. In the 1960 committee the hon. member for Kenora-Rainy River suggested he had no knowledge of the manner in which the board of directors was appointed.

Mr. Benidickson: I confess I did not have an examination made of who they were since 1957.

Mr. Horner (Acadia): I am sorry; I did not hear the hon. member's remarks. But he thought the size of the board of directors should be increased. Now we see a turnabout on his part. He mentioned political connections. He mentioned that he was out telling the shareholders of the C.N.R. just how the C.N.R. and the country were being run. I suggest this is one time that the Labour-Liberal ticket on which he runs should have been changed, because the Liberal party have kind of pulled the rug from under his feet. He has returned to the house to find the members of the Liberal party going against his wishes in suggesting that the present chairman be reappointed. Consequently he finds himself in a rather difficult position.

Mr. Benidickson: No; I am not on the record on that.

Mr. Horner (Acadia): But the rest of the party is. We find the hon. member in a very difficult position. He is trying to regain face and protect himself. He is now trying to explain why he is going to vote against this particular measure, because he says he has no confidence in the government appointing men who have great knowledge and are potential suppliers of business to the C.N.R. He thinks the government cannot appoint men who will work in the best interests of the C.N.R.

No one on this side of the house has condemned the operations of the C.N.R. to any great extent. I have spoken against the present chairman of the board of directors to some extent, but at no time did I say I did not have confidence in the railroad or in its management. I think the C.N.R. will always have a part to play in western Canada, and it certainly should have representation on the board of directors. All provinces in Canada, and particularly the western provinces, should have representation on the board.

The Chairman: Shall clause 1 carry?

Mr. Chevrier: I want to deal very briefly with one or two of the remarks made by the minister. In his reply to the hon. member for Kenora-Rainy River he indicated that the hon. member had made a political somersault. Of course if the minister had taken the trouble to read carefully what was said

in the committee and compare it with what the hon. member said here this afternoon he would find that there was no political somersault. Even if there were one, it would not compare with the inaction of the government in allowing four out of seven members of an important board such as that of the Canadian National Railways to remain without knowing whether they are to be reappointed. After all, as has been said in this house, here is a crown corporation doing a billion dollars worth of business a year. Has anyone ever heard of a corporation of that importance and magnitude where four out of seven directors are still without knowledge as to whether their term of office is to be extended?

I think this shows not only inaction and indecision on the part of the government, but bad administration. After all, if you want a corporation to operate properly the directors who run the business ought to know what their standing is in so far as the board is concerned. These four certainly did not know where they stood.

The hon. member for Kenora-Rainy River made a very telling argument against the government in so far as political appointments are concerned. He indicated that the government had appointed the national treasurer of the Conservative party, a defeated candidate of the Conservative party and a party treasurer in the province of Saskatchewan and to that I can add the fact that the present government appointed as auditor of Canadian National Railways the defeated Conservative candidate in a Montreal constituency. These are four important positions one of which commands a large salary, particularly that of auditor of Canadian National Railways, and these appointments seem to have been of a purely political nature.

The hon. member also indicated that the appointment of Mr. Wilfrid Gagnon to the board of directors was renewed some time ago, and in answer to the hon. member for Bonavista-Twillingate I think the minister left the impression that Mr. Gagnon had been a treasurer of the Liberal party. He was not a treasurer of the Liberal party at any time when I was a member of the government. He certainly had nothing to do with funds or with the position of treasurer of the Liberal party either in the province of Quebec or elsewhere. On the contrary, he was appointed by the late Mr. Howe because of his business connections, because of the fact—

Some hon. Members: Oh, oh.

Mr. Chevrier: Well, will any member of the house point out to me where Wilfrid Gagnon was a treasurer of the Liberal party? If any member can do so, let him rise and prove it because I do not believe that to be the case.

Mr. Balcer: Will the hon. gentleman permit a question? Can he prove to the committee that one of the present directors is a treasurer of the Conservative party?

Mr. Benidickson: "Who's Who" says that the man from Saskatchewan is.

Mr. Chevrier: I can affirm to the house that Mr. de Lalanne was a defeated candidate of the Conservative party in a Montreal constituency. I can affirm to the minister that another appointee, and I do not want to mention his name, was also a candidate of the Conservative party in the Atlantic provinces. The hon. member for Kenora-Rainy River has established the veracity of the statements he made with reference to two other members of the board of directors as treasurers of the Conservative party. Therefore there are four of them who are fairly closely allied to the Conservative party.

I want to come back to Mr. Wilfrid Gagnon who is a highly respected citizen of the province of Quebec and a businessman of high calibre who in past years rendered tremendous war service in the department of munitions and supply under Mr. Howe when I was there as Mr. Howe's parliamentary assistant, a man who even until this day has been able to bring a great deal of business to Canadian National Railways. I presume that is the reason why the minister and the government renewed his appointment.

Mr. Balcer: May I ask one question? Does the fact that Mr. Wilfrid Gagnon, whom I know personally, is an extremely qualified businessman and a great Canadian not prove precisely that one can be very active in political life and at the same time be a great Canadian businessman and render great service to any board to which one is appointed?

Mr. Chevrier: There is a difference—

Some hon. Members: Oh, oh.

Mr. Chevrier: If hon. members will allow me to continue, there is a difference between the statement made by the minister and saying that a person is a treasurer of a political party. It has not been proven, nor is it a fact, that Mr. Gagnon has ever been a treasurer of the Liberal party. I should like to put a question to the minister before I sit down. Will the minister tell the committee whether he is of the same view as his predecessor, the present Minister of Trade and Commerce, that the board of directors of Canadian National Railways is doing a good job? As found on page 153 of the proceedings of the committee on railways, air lines and shipping last year,

the minister's predecessor was asked this question by the hon. member for Port Arthur:

I would like to ask the minister if he is satisfied with the board of directors of the Canadian National Railways.

The answer of the present Minister of Trade and Commerce was "Yes". I should like to put the same question to the minister, first with reference to the directors of Canadian National Railways and then with reference to the president of Canadian National Railways.

Mr. Balcer: All I can say is that all these people, of course, are doing a good job, but the purpose of the bill is to give them a chance to do a better job.

Mr. Chevrier: Will the minister answer this question? Is he satisfied with the services of Mr. Donald Gordon as president and chairman of the board of Canadian National Railways?

The Chairman: Order. I have indicated my view on this question.

Mr. Chevrier: You have indicated your view, Mr. Chairman, but you have allowed a discussion this afternoon that has gone far beyond that point. I say to you that my question is a perfectly fair one having regard to the discussion that has taken place. After all, what we are doing is increasing the board of directors from seven to 12 and surely an hon. member has a right to find out from the minister whether he is satisfied with the seven directors at present on the board. Surely that is not an infringement of the rules of the house. I ask the minister that question.

Mr. Balcer: I must say that personally I have always had extremely good relations with Mr. Gordon. He has co-operated during the time I have been the minister and personally I am satisfied with his work.

Mr. Garland: Mr. Chairman, I should like to comment very briefly on Bill No. C-94, the purpose of which is, of course, to increase the number of members of the board of directors from seven to 12. I believe that the bill is the most unnecessary and untimely piece of legislation to be introduced by the government since it has taken office. I have waited patiently for the minister to advance sound reasons for the increase in the number of directors and certainly in my view no compelling reasons have been advanced up to this stage.

That the bill is untimely there is no doubt. What possible justification can there be for increasing the number of directors when wholesale lay-offs of C.N.R. personnel are taking place across the country? Tomorrow morning in my own city of North Bay there will be a substantial lay-off of C.P.R. personnel. Surely this is a reflection of the lack of policy of the government with respect to lay-offs on the Canadian National Railways during periods of high unemployment. When the Canadian National is allowed to dismiss people at will, naturally other railways follow suit in similar circumstances.

What justification can there be for increasing the number of directors when the government will not even indicate its support for the present directors? Surely the government should indicate its support for the present directors or replace them. Surely this display of indecision has a demoralizing effect on the effective management of Canadian National Railways. Surely we are entitled to know the government's attitude before granting this further authority to increase the number of directors. While this indecision continues, while these wholesale lay-offs of C.N.R. personnel continue, failing any assurance that top-flight business executives and top-flight railroaders who know the problems of railroading will be appointed, I can certainly not support the bill.

(Translation):

Mr. Sevigny: Allow me, Mr. Chairman, to make a few remarks about the matter under discussion.

Since this morning, we have been hearing the hon. members of the opposition, in pious or offended terms, criticize this government for what they maintain are appointments made on the basis of political patronage.

Mr. Chairman, a mere glance at the careers of those who have been appointed to the board of directors of the Canadian National, by this government, will show that their record and qualifications fully justify the confidence that the government put in them to manage or decide upon the C.N.R. business.

Furthermore, there is nothing wrong in the members of a government, when it comes to making an appointment favourably, considering those among their friends who deserve a reward for certain services, and especially for their marked contribution to the affairs of the country.

Mr. Chairman, I find it is rather strange that hon. members opposite should rise in protest against what they call political patronage. Can they really take the floor, one after the other, to say seriously that the leaders of the Liberal party of years past, and especially those of the previous governments have never considered, when an appointment had to be made, in the C.N.R. or elsewhere, the services of their friends?

Can the hon. member for Bonavista-Twillingate (Mr. Pickersgill), who was on very intimate terms with the Right Hon. William Lyon Mackenzie King, tell us seriously that his famous master never considered the political viewpoint when making appointments? Can those gentlemen tell us that Mr. St. Laurent has always ignored political considerations, when it was a case of appointing someone to a certain position? Can those hon. members opposite tell us with a straight face that they have never tried to reward the political services of some of their friends through appointments? Do the hon. members opposite really have the gall to tell the house they have never considered the services of their supporters in their 22 years of administration? Can they really say they have ignored those services, and have really chosen at random, or in other parties, the men they wanted to appoint to any office? I do not believe it, Mr. Chairman.

I do not believe our friends opposite, and particularly the hon. member for Bonavista-Twillingate, who I see is smiling, could say that political considerations were always very far from the mind of the Hon. Mackenzie King. In fact, the hon. member for Bonavista-Twillingate, who is one of the biographers of Mr. King, recognizes in his book the political acumen of his former master. Does he not recognize himself that his former master was always deeply concerned with the future of the Liberal party and looked after that future whenever opportunity arose?

I really believe, Mr. Chairman, that the present discussion is not serious, and I shall go as far as to say that it is in rather poor taste for the members opposite to accuse the present government of a mistake, if indeed it is one, that they themselves made repeatedly during the 22 years they were in office, namely from 1935 to 1957.

I also fail to understand why our friends opposite persist in saying that the present government is showing indecision and lack of leadership by asking the house to increase the membership of the C.N.R. board of directors. On the contrary, I feel this is a measure showing determination and a progressive spirit, because the present government realizing the importance of railways in our country and admitting that the C.N.R. constitute a fiscal burden for the treasury, that demands the attention of the best minds in the country, acknowledges the fact that, in view of the importance of the C.N.R. services, an increased number of directors should be entrusted with the care of looking into its operations. Therefore, the government feels it is essential to help the C.N.R. administration by increasing the membership of its board of directors.

I cannot find any evidence of lack of leadership or any trace of indecision in this legislation. Quite the contrary, I feel that it indicates real decision, and if there is any indecision and confusion, it is in the minds of my hon. friends opposite who are trying to play politics with this question, which in my opinion should be foreign to politics.

Mr. Chevrier: Mr. Chairman, I listened with great attention to the remarks of the Associate Minister of National Defence (Mr. Sevigny) who just resumed his seat, and I find weaknesses in his comments on two counts.

First, he admitted that political considerations intervened in appointments. As a matter of fact, one can infer from this avowal that political appointments have been made in the past or that some will be made in the future as far as the C.N.R. is concerned.

The second weak link in his argument, is that he shifts—

Mr. Sevigny: Mr. Chairman, I rise on a point of order. I wish to point out that I never said that political consideration would intervene with future appointments to the Canadian National Railways. I simply said and I repeat that when a man possesses the required qualifications and is considered qualified to serve his country, there is surely nothing wrong in appointing such a man to a position when he has, in certain circumstances, shown himself to be in sympathy with the cause of those who have a say in such appointments.

Mr. Chevrier: Mr. Chairman, there is no difference between what I said and what the Associate Minister of National Defence (Mr. Sevigny) has just stated. Consequently, there is no point of order.

Mr. Sevigny: I am sorry, Mr. Chairman, but I must again rise on a point of order. The hon. member for Laurier—

Mr. Chevrier: Mr. Chairman, on a point of order—

The Chairman: I understand that the hon. member for Laurier (Mr. Chevrier) claims that the Associate Minister of National Defence cannot rise on a point of order to correct a statement which he himself attributes to

the minister unless he allows him to take the floor. In other words, the Associate Minister of National Defence will have to wait until the hon. member for Laurier has concluded his remarks before making any correction he deems appropriate.

Mr. Sevigny: Mr. Chairman, I accept your ruling and I shall wait until the hon. member for Laurier has resumed his seat to make whatever correction I find necessary.

Mr. Chevrier: Mr. Chairman, I wish to thank the Associate Minister of National Defence for giving me the floor.

As I was saying, the first weakness of his statement was that he himself acknowledged that the present government has made and will make in the future political appointment.

Second, his comments were completely irrelevant.

We are considering a bill to increase the number of C.N.R. directors from seven to 12.

It is therefore not a question of political appointments throughout the country, which was what the Associate Minister of National Defence was talking about. He said: "Did the hon. member for Bonavista-Twillingate (Mr. Pickersgill) and his former chief, the late Mr. Mackenzie King, never make any political appointments?" Some political appointments may have occurred, but those made by Mr. Mackenzie King and Mr. St. Laurent were not to the board of directors of the Canadian National Railways.

This government which came into power hardly four years ago, has already made four political appointments to the board of directors of the Canadian National Railways, which has only seven members. Moreover, it appointed Mr. de Lalanne, defeated Conservative candidate, to the post of auditor general of the Canadian National Railways.

I have here the reports of the Canadian National Railways, and would like the Associate Minister of National Defence, or the Minister of Transport to tell us where, with perhaps one exception, there have been political appointments, in the true sense of the word, to the board of directors of the Canadian National when we were in power.

We tried not to let party politics interfere with the administration of the Canadian National Railways. I said so the other night, and I repeat today, that if we want to destroy the management of the Canadian National, let us introduce politics into it. I would not say that this government means to do that, but the appointment of four out of the seven present directors were political or nearly political appointments. Thus, it becomes very difficult later on not to introduce, in some form or another, the question of partisan politics with regard to the board of directors of the Canadian National Railways.

If we want the C.N.R. to be run efficiently by its board of directors, by its executive, the appointments should not be made on a political basis.

And in reply to my hon. friend the Associate Minister of National Defence, I would point out that there have already been four appoinments that smell strongly of politics.

Mr. Sevigny: Mr. Chairman, I shall be very brief in my reply to the hon. member for Laurier.

I have followed his remarks closely, and I should like to deal with the points he made.

First, I deny stating that the present government intends to make appointments to the board of directors of the C.N.R. on a purely political basis. I simply said that the government is trying to recognize ability wherever it exists, and I added something which I think is quite natural, that the government recognizes the ability of its supporters, just as former governments have always done. At no time have I stated that the appointments to the C.N.R. would be based solely on political services present or past.

Second, I would point out to the hon. member for Laurier that political considerations have not always existed, as he perhaps would have the house believe in previous appointments of this government. The best proof is that in 1957 the Hon. Wilfrid Gagnon was reappointed to the board of directors of the C.N.R.

The Hon. Wilfrid Gagnon is a personal friend of mine, a man of great distinction whose stamp on the affairs of Quebec and Canada has been impressive. But there is no denying—and that is perfectly within his rights—that he has definite leanings towards the Liberal party and that he is an eager supporter of that party—

Mr. Martin (Essex East): There is no sin in that.

Mr. Sevigny: —which did not prevent the Conservative government from renewing his appointment some three years ago when the opportunity arose.

[The Chairman.]

We recognize the merits of the Hon. Wilfrid Gagnon, but we would appreciate it if the hon. members opposite, and particularly the hon. member for Laurier, would also recognize the unequalled qualifications of a man such as Mr. Jim de Lalanne who may have Conservative affiliations but who is after all, one of the most outstanding accountants in the province of Quebec and a man whose proficiency in business and personal distinction are recognized by all those who know him.

It may be true also that the late Mr. Bickle was a Conservative. But my hon. friends opposite are not going to deny that his business, industrial and economic ability was acknowledged not only in Canada but also beyond our borders.

Those appointments were made on the basis of the undeniable ability of men like Mr. Bickle, Mr. de Lalanne and Mr. Gagnon. Therefore, it is my honest opinion that it is out of place at this time to try to get a political flash in the pan out of this question of appointments which have been made or will be made at the Canadian National.

I for one can give my hon. friends opposite my assurance that these appointments will be made on the basis, before anything else, of qualifications, ability and skills of those who will be chosen.

(Text):

Mr. Pickersgill: Since the Associate Minister of National Defence has invited me to participate in this debate, Mr. Chairman, I feel that I should not disappoint him. I might say that with one proposition he made I would have no quarrel nor, I am sure, would my friend the hon. member for Laurier; and my friend the hon. member for Kenora-Rainy River expressly stated that he had no quarrel with him. In the case of Mr. E. W. Bickle, though he was very prominently associated with hon. gentlemen opposite, we recognize his competence to be on this board. My friend the hon. member for Kenora-Rainy River stated that expressly. It seems to me the fact that a man is a Conservative, a Liberal or even a C.C.F.'er should not rule him out from public service if he has competence to do the job. The first question to be decided is whether he has competence to do the job.

Mr. Macdonnell: It is so nice to hear the voice of common sense.

Mr. Pickersgill: I am going right on with the rest of my common sense and perhaps the hon. member for Greenwood will not like it so much. When all the appointments that have been made by hon. gentlemen opposite on their own initiative are all associated with their party, I think one is inclinde to wonder whether it is competence to do the job or party service that has been put first.

Mr. Balcer: May I ask one question?

Mr. Pickersgill: Yes.

Mr. Balcer: I wonder whether the hon. member could name one Conservative that the Liberal government ever appointed to the board of directors of the C.N.R.

Mr. Pickersgill: I do not have the history of the C.N.R. board before me but I would recall to the hon. gentleman—

Mr. Chevrier: Yes; I can name one, and he is a very prominent one. You will find him—

Mr. More: It takes you a little while to dig him out.

Mr. Chevrier: No; it will not take me very long to dig him out.

Mr. Sevigny: It must have been a long time ago.

Mr. Balcer: In 1896?

Mr. Chevrier: No. It is relatively recently. He was a director from the Toronto area. He is Mr. J. A. Northey.

Mr. Pickersgill: I must say that I have not the knowledge of the board of directors of the C.N.R. possessed by the hon. member for Laurier and I do not pretend to have it. But since the Solicitor General raised that point, may I say this. I can think of two very prominent Conservatives who were placed in high positions by Mr. Mackenzie King and Mr. C. D. Howe. I refer to Mr. Henry Borden and Mr. Justice McTague.

Mr. Martin (Essex East): Look at the judges we appointed to the supreme court.

Mr. Pickersgill: Yes, as my hon. friend from Essex East has reminded us, just look at the gentlemen appointed to the supreme court by Mr. St. Laurent. Over the years all these appointments were made on the basis of competence first. That is not the only point. Certainly, I do not say that to be a politician is a dishonest thing. On the contrary. But I say that when it happens that every one of the new appointments by the present government is a political appointment, one wonders which consideration came first.

Mr. Macdonnell: Before the hon. member works up to a full head of steam, am I not right in thinking that Mr. Gagnon was reappointed? He is a well known Liberal.

Mr. Pickersgill: I thank the hon. gentleman for keeping me on the rails, because he has helped me very much. There were three or four reappointments made, the Minister of Transport told us, in September, 1957, between the two elections.

Mr. Chevrier: That is the point.

An hon. Member: Mr. Gordon was reappointed, too.

Mr. Pickersgill: Yes, Mr. Gordon was one of them. He was reappointed by the hon. member for Broadview when he was minister of transport. Mr. Gordon was reappointed by the present government and they can take whatever satisfaction they like out of that. It is a fact he was reappointed in September, 1957. But why, between September, 1960 and May 22, 1961, has this government been unable to make up its mind whether it intends to reappoint these people whose terms expired at that time? Here is a government asking us to let them appoint 12 directors while they cannot even make up their minds about three or four they have had the right to appoint since September. Here we have these uncertain, leaderless, hesitant ladies and gentlemen occupying the treasury benches who cannot even decide whether to reappoint Mr. Gordon or not. They say that we must not ask them any questions about this; that all we should debate is the question of the number of directors, not who those directors will be.

That is not good enough, but it is typical of the attitude being taken by the government. They say: give us a blank cheque and we shall run the country in any way we like. That was the view taken by the Bennett government and it is apparently the view now held by ladies and gentlemen opposite. But it is not the way parliament should be run and surely we should not be expected to give approval to this measure and enable the government to dither for another year saying eeny, meeny, miny, mo about 12 people when they are unable to conclude their eeny, meeny, miny, mo about three or four. It is ridiculous for the minister to ask us to give him power to appoint more directors when he is unable to make up his own mind, or is not allowed to make up his own mind, whether to invite the present president of the C.N.R. to continue in office.

I say that a decision should have been reached long ago. If they do not want Mr. Gordon they should get rid of him, and if they do want him they should give him enough prestige to do the job properly instead of leaving him suspended between heaven and earth. The hesitation displayed by members of the government with regard to this whole business will not be lessened by raising the number of directors from seven to 12. Hopeless behaviour of this kind is inexcusable in connection with an organization, which, as my hon. friend from Kenora-Rainy River has reminded us is a multi-billion dollar corporation costing the Canadian taxpayer millions of dollars a year, though this was not the case a few years ago when we had a different administration. It is inexcusable that the man in charge of this corporation should not know whether he is still the head of that organization or whether he is on some kind of probation after many years of service. I say we should not persist with this bill until this government tells us who is to be the head of this company. Is it to be Mr. Grosart or Mr. John Fisher—

Mr. Balcer, Oh, oh.

Mr. Pickersgill: The hon. gentleman laughs, but it would not surprise me at all because this government says every problem can be cured by more information and more publicity. The Prime Minister has been saying that for months. The people do not know our record, he says. If we could only tell the people our record everything would be all right. Well, everything is not all right. Before you can get things right you have to act. Results are not obtained by appointing press officers and publicity people—Mr. Fisher to assist Mr. Grosart, Mr. Grosart to assist the government, and someone else to assist in some other capacity, all in the field of information. Yet when you want to get real, solid information such as the name of the man who is going to head the C.N.R., there is silence, either because the government cannot make up their minds or because they fear to tell the public what they are going to do. I suppose, as with everything else, Mr. Gordon and the rest of us will have to wait until after the by-elections before they know what the appointments are going to be. In any case, I doubt if they are going to like the results of those by-elections or whether those results will help them to make up their minds.

I rose not really to say all this but to speak on another subject. I was diverted by the diversion—the very entertaining diversion—of the Associate Minister of National Defence, who came to the aid of the Minister of Transport and gave us the assurance—an assurance which, I take it, he was authorized to give—as to the character of the appointments that would be made. The Minister of Transport had asked us to trust him. The associate minister said: I will give you my assurance—we intend to appoint the most competent people. That was a typical and interesting declaration by the hon. gentleman. However, I want to turn my attention to a statement made by the

distinguished member for Acadia who suggested that the real purpose of this legislation was to ensure that every province would be represented on the board. It seems to me that, since the hon. member for Acadia was not backward in advancing the claims of his province, the minister, when he comes to reply should tell us whether Newfoundland would have a director among these 12.

An hon. member: Joey.

Mr. Pickersgill: Well, there would be some decision, if that were done, instead of the present indecision. I am not in favour of increasing the directorate but if we are going to have this measure rammed down our throats Newfoundland should be represented.

An hon. Member: Why?

Mr. Pickersgill: If the hon. member does not know the answer to that question he is like a number of other Tory members of this house. There are some of us who know why Newfoundland should be represented—because it is a part of Canada. I should like to know whether Prince Edward Island is going to be represented. I should like to know whether Nova Scotia will be represented and whether Cape Breton Island which has not got much out of this government is going to be represented. At present there are two directors from Saskatchewan, none from Alberta, none from British Columbia. Is Manitoba to be represented? Is Alberta? Is British Columbia? I think we are entitled to be told what the pattern is to be. If it is intended that the 200 sheep shall be used to put this bill through, regardless of the fact that it will not do the country any good, it will not be doing the C.N.R. any good either.

Mr. Chevrier: Mr. Chairman, I should like to rise on a question of privilege arising out of a matter which has come up for discussion in this committee before, and which has arisen again at this moment. The committee on railways, canals and telegraph lines is at this moment dealing with the proposed amendment to the Freight Rates Reduction Act. It seems to me that the Minister of Transport, who attended the meeting of that committee this morning, but who is prevented from being here this afternoon because of this present legislation, as well as several of us on this side of the house, including the hon. member for Essex East, would also like to be there.

We made it clear to the committee this morning that it would be impossible for us to be in attendance this afternoon because of the legislation to be considered by the committee of the whole this afternoon. I made it clear that the first priority, in so far as I was concerned, was with the House of Commons rather than the committee, although I feel it is of extreme importance for several of us to be in attendance at that committee. Because of the fact the standing committee is meeting now, which I did not expect or anticipate, it seems to me that this committee should take cognizance of this matter, Mr. Chairman, and you might deem it advisable, in your wisdom, to send notice to that committee suggesting it meet tomorrow.

Mr. Martin (Essex East): Mr. Chairman, may I just address myself to the minister by saying that he was present at the committee this morning and heard the objections that were registered there regarding that committee sitting at a time when we would be engaged in matters having to do with the Department of Transport, which are of concern to the minister directly, as well as to other hon. members, particularly on this side. I suggest to the Minister of Transport that it is a travesty on parliamentary efficiency for us to be placed in this position. He heard our pleas this morning. He will remember what the Prime Minister said regarding our first responsibility being in this house. Therefore will the minister now take steps to prevent this two-ring circus in respect of matters that engage his attention?

Mr. Balcer: Mr. Chairman, the hon. member for Essex East is always very flowery, and has an inevitable tendency to exaggerate everything. He is very entertaining, but I suggest he should stay closer to the facts.

This morning when the committee decided to sit at two o'clock, it was decided by a vote. I proceeded to that committee meeting at five minutes to two this afernoon and found representatives of the trucking industry, who had been sitting through the meeting all morning, ready and waiting to read a brief to that committee. I remained there for half an hour while this very important brief was being read. I do not know what took place following that, as I had to leave to come to this chamber. However, I would remind my friend, the hon. member for Essex East, that the committee on railways, canals and telegraph lines, like other committees of this house, is the master of its own rules. The minister has nothing to do with the rules of that committee, and the decision taken this morning was not a decision of the government nor of the minister, but a decision entirely of that committee. As far as I am concerned, I have no intervention to make regarding decisions made by that committee.

Mr. Chevrier: Mr. Chairman, may I be permitted to say just a word in this regard? When

the motion was made, of which the minister speaks, I recorded my opposition to it.

Mr. Balcer: Oh, yes.

Mr. Chevrier: As the minister knows, and as I have been informed by the whip, a quorum was not reached until 2.20 p.m. As a result, there was only an interval of ten minutes left before the house bell rang at 2.30. Moreover, as every hon. member on both sides of the house knows, who sat on the committee this morning, several points of interest were opened up which were to be continued at that committee meeting this afternoon. It has not been possible for me to take part in that discussion, nor will it be as long as that committee sits while this house is considering particularly important matters.

Mr. Balcer: The hon. member for Laurier could have attended at two o'clock until 2.30 and expressed, at that time, what he is now expressing.

Mr. Chevrier: Mr. Chairman, may I just—

The Chairman: Order.

Mr. Chevrier: May I say that—

The Chairman: Order.

Mr. Chevrier: Mr. Chairman, on a question of privilege, may I be allowed to say that I did not attend at two o'clock because I accepted the invitation of Mr. Speaker to a luncheon to listen to Right Hon. Earl Attlee, the former prime minister of the United Kingdom, which did not conclude until 2.30 p.m.

The Chairman: Hon. members will appreciate that this committee is only entitled to consider the bill which is presently before it, and cannot make any decisions regarding the problem which the hon. member for Laurier has raised. As long as the committee of the whole is considering this bill, it must confine its discussions to that subject.

Mr. Pickersgill: Mr. Chairman, I would suggest there is an alternative course which this committee could take, and that would be to rise and report progress. The minister could move that the committee rise and report progress, and then consider some business which does not require the presence of the Minister of Transport or the hon. member for Laurier—some of the other government business, of which we are told there is so much on the order paper. I suggest the minister could easily relieve parliament of this embarrassment by moving that the committee do rise and immediately report progress, with leave to sit again when the other committee has concluded its sitting.

[Mr. Chevrier.]

Mr. Howard: Mr. Chairman, the course suggested by the hon. member for Bonavista-Twillingate is precisely the one I had intended to follow.

Mr. Pickersgill: I apologize to the hon. member.

Mr. Howard: Your apology is unnecessary. I merely wished to indicate that I intended to follow the course you have suggested. It is true that a member of the cabinet has no authority or control over the actions which a committee of the house takes, at least in theory, though it is not always followed in practice. I suggest that is as it should be. While we may only concern ourselves with the bill before us now, regardless of whether the committee should continue this course at the same time a standing committee of the house is dealing with questions relating to the activities of the Department of Transport, this appears to be the practice of this government.

Some hon. Members: Hear, hear.

Mr. Howard: It will be recalled that last session, when the amendments to the Combines Investigation Act were being considered, this same course was taken in order to push those amendments through the committee by doing so while the committee of the whole was considering the estimates of the Department of Justice.

I suggest the only proper thing to do at this stage, to give recognition to the fact that there is an extremely important subject matter being dealt with by a committee of this house, is for this committee to rise and report progress requesting leave to sit again, and to proceed with another item of business with which the Minister of Transport is not concerned. I accordingly move:

That the committee rise, report progress and ask leave to sit again.

Mr. Balcer: Mr. Chairman—

Mr. Pickersgill: Mr. Chairman, is this motion debatable?

The Chairman: This motion is not debatable. Is the committee ready for the question?

Motion negatived; Yeas, 14; nays, 31.

The Chairman: Shall clause 1 carry?

Mr. Howard: Perhaps this is one way in which members on the other side desire to get the thing through, namely to hold out the fact that something is happening elsewhere.

Some hon. Members: Order.

Mr. Martin (Essex East): Tyranny of the majority.

Mr. Balcer: Mr. Chairman, I think both remarks are extremely unfair. The committee has just taken a decision. We all know that no member should reflect on the vote of another member.

Mr. Howard: I am not reflecting on anybody.

Mr. Balcer: The remark is absolutely untrue.

Mr. Howard: I assume the minister is rising on a point of order with regard to my initial remarks. I was not sure because there was an interjection from an hon. gentleman on the other side and from an hon. gentleman on this side. The minister's point of order apparently had something to do with my initial remarks about the activities of the committee. I cast no reflection upon any members of this committee or on how they voted. I was making some remarks about the course of comments that emanated from the other side of the house when I started to speak. That is what I was talking about. If they do not get their way one way they will try to get it another. The minister may toss around points of order and refer to unfairness and the like, with equal generosity, but they do not apply to me in this particular instance.

Mr. Winch: Only 31 out of 204.

The Chairman: Order.

Mr. Howard: I was interested in the sort of public confession of political sin engaged in by the Associate Minister of National Defence.

Mr. Speakman: On a point of order, I do not see anything in this bill which deals with the conduct of any member of this house.

The Chairman: I think the hon. member should be allowed a certain amount of latitude to comment on the remarks that have been made on this subject. The way I take it is that some hon. members oppose the bill on the ground that the government would be unable to make good appointments. This is how the point happened to be raised. I think the hon. member should be allowed to comment briefly on this point.

Mr. Howard: What I was attempting to do, Mr. Chairman, was to deal with matters that have already been raised. Incidentally, I think it is quite apparent from the remarks of the Associate Minister of National Defence, the hon. member for Laurier and the hon. member for Bonavista-Twillingate that each of the two old line parties agree with political appointments. The associate minister flavoured it a little bit by saying that you look first at the qualifications, the qualities and abilities of the individual, and if those are acceptable, then there is nothing wrong with his being a member of the same party which is in office. We all know what really happens is that the political connection is looked at first, and then if the person is able and considered worthy and qualified he is appointed. If he is not considered able and qualified they go to someone else in the same political party. This is the way in which political appointments are made but it is covered up by reference to abilities and qualifications.

Mr. Martin (Essex East): That is what happens in Saskatchewan.

Mr. Howard: The hon. member for Essex East makes a remark. This is what came through the translation system in so far as the hon. member for Laurier is concerned. "There are ways to do this". Well, certainly he should know that there are ways to make political appointments so that it looks as if it is the agreeable thing to do. The dragging out of agreements and references to one or two isolated instances of appointment of people of a different political faith to positions in no way changes the initial political appointments made.

I have raised this matter in the house, and other hon. members have also referred to it. I have mentioned the number of appointments that this government has made purely and simply on a political basis. The chief justice of the court of appeal of the province of British Columbia, Mr. Justice DesBrisay, was the man who handled all the money for the Conservative party in the 1957 federal election in British Columbia. Mr. Field, appointed to the industrial development bank by this government, was the individual who handled the funds for the party in British Columbia in 1958. The board of broadcast governors and the census commissioners are another prime example.

Mr. Macdonnell: Nonsense.

Mr. Howard: This has been read into the record time and time again.

The Chairman: Order. I would advise the hon. member not to go too far. I appreciate the fact that he can give some examples, but I think he should stick as closely as possible to the Canadian National Railways.

Mr. Howard: I am glad that you appreciate the fact that I can give some examples. I wish members on the other side would also appreciate that I can give them some as well.

Mr. Lambert: Talk about Saskatchewan.

Mr. Howard: Here is one of my noisy friends opposite who persists in growling and grumbling from his seat. He knows that

his remarks invite comments from me, and he knows full well in replying to them I will be out of order. He does it deliberately. He should be ready to take his medicine. If he does not wish to do that, then he should get up and speak and make similar comments in disagreement.

Mr. Martin (Essex East): Would the hon. member agree that it is the first good contribution he made today?

Mr. Howard: No, I would not even agree with that. I find that the hon. gentleman, like so many of his friends on that side of the house, makes excellent comments when he rises to leave the chamber.

I submit there has been a sufficient degree of public confession that political appointments are made on the basis of party affiliations and considerations to indicate what is going on. This confession was made by the Associate Minister of National Defence and by members of the previous government, such as the hon. member for Laurier and the hon. member for Bonavista-Twillingate. This should be proof positive that the Conservative and Liberal parties should not be given the authority to make appointments to boards, commissions and so forth if they are going to carry on in this particular fashion, and there is every indication that the Canadian National Railways board of directors of 12—

Mr. Macdonnell: May I ask the hon. member a question? He has just used the phrase "carry on in this particular fashion". This is an attempt to suggest that our public service is full of unworthy appointments. I believe that is not true, and if he thinks it is so let him say so. I believe the Liberal party as well as ourselves on the whole appointed good people. We have not carried on this country all these years because a lot of bad people were appointed and I protest against this attempt which is being made to smear the public service.

Mr. Howard: My friend can protest all he likes, and I have the greatest admiration for his protestations, his feelings and his kindness and also his gentle manner on all occasions, but I would point out to him through you, Mr. Chairman, that in this instance he is protesting about the wrong thing. I did not for one moment imply that the appointments were wrong. The tenor of my remarks was that the appointments, both during the Liberal party regime and this party's regime, or the vast majority of them, were made on a political basis. Attempts are being made to gloss this over and to show that they were not, and this is what I disagree with. If you are going to have political appointments, for heaven's sake have the decency and the honesty to come out and say so. This in no way implies—

Mr. Pallett: Will the hon. member permit a question.

Mr. Howard: I have not finished dealing with the question asked by the hon. member for Greenwood. I can appreciate that the hon. member for Peel has a question but if he will just contain himself until I answer the hon. member for Greenwood—

Mr. Pallett: When the hon. member is answering would he also say how many Liberals and Conservatives have been appointed to boards in Saskatchewan?

Mr. Howard: Will my hon. friend let me deal with one question at a time, and then I will get around to his question.

Mr. Thrasher: Tear down.

Mr. Howard: Mr. Chairman, there is another snide remark typical of the remarks that are being made purely and simply to raise a big furore about nothing when hon. members opposite are hurting because the truth is coming out and is being directed toward them.

An hon. Member: You are the one who is getting hurt.

Mr. Howard: That is another typical comment designed purely and simply to raise a big fuss about nothing and to prevent me from answering the question raised by the hon. member for Greenwood. If I may come back to that, the tenor of my remarks was that we are not casting aspersions against the individuals who have been appointed. I would not deign to do so in any instance but if I did I would be prepared to substantiate my statements as in the case of Mr. Gordon. I do not think he is a competent individual to run the railroad but that has nothing to do with the manner in which he was appointed. I say that when hon. members on the treasury benches and members of the Liberal party get up and protest that they have made no political appointments and that in making appointments they considered the qualifications of the individual first, then I say that is purely and simply poppycock on the part of members of the cabinet and members of the Liberal party too.

This has been admitted on a number of occasions. The Associate Minister of National Defence made this admission. The hon. member for Laurier said that there are ways of leaving the impression that appointments are not political when in fact they are. That is all I was getting at. I do not know whether that answers the question of the hon. member

for Greenwood or whether it will salve the angered feelings he expressed in asking the question but that is the answer I give.

There is every possibility that the appointments of the 12 directors will be made on precisely the same basis in that political considerations will be paramount in the mind of the minister, the governor in council or whoever makes these appointments. I do not complain particularly about this in this instance. What I complain about is the fact of political life which allows this to occur and at the same time to be passed off as something else. I complain about the government making appointments on a political basis and then saying that they were not really made on that basis.

Political life in Canada both provincially and federally is full of this sort of thing. A while ago a member asked about Saskatchewan. I do not know about appointments in that province in detail but I do not doubt for a moment that they are made on a political basis. I just do not know. I know that certainly is so in the province of British Columbia. There is a case in point of two defeated cabinet ministers who were fired one day and hired the next day at higher salaries. The progressive development of control by the government over appointments and governmental activities over the years has resulted in a greater and greater concentration of power in the hands of the government and its ministers. It is from there that political appointments flow. The power of parliament has been greatly restricted and concentrated in the hands of ministers. During the 22 years that the Liberals were in office a continuing concentration took place and it is continuing to take place today under the present government.

When we talk about whom these 12 directors might be the ministerial objection is that we cannot talk about that because the act already says that the governor in council shall appoint them and that is the way it is supposed to be. The governor in council did not suddenly arrive at this position today, nor is authority contained in the bill for the government to make these appointments. It has been in the act for many years and it is to this that I object. What flows from this authority is not proper. The desire of the ministry to continue and promote this authority is merely an outgrowth of our whole parliamentary structure which I think leaves much to be desired.

I note that you reluctantly remained in your seat, Mr. Chairman, while I completed my remarks on that point. I can appreciate that perhaps they were somewhat out of order but I think it was fair to allow me to go that far in commenting on matters that have been raised by previous speakers. Quite frankly, the Liberal party is making a great hullabaloo about the increase in the number of directors and is saying that it allows for political appointments but in my view it would not make one whit of difference if the Liberals were in office. They would do precisely the same thing. They would appoint people on a political basis just as the government is undoubtedly going to do. I consider this to be merely a sham battle—

Mr. Hellyer: Would a C.C.F. government be different?

Mr. Howard: I hear the hon. member for Trinity interjecting a comment again from his seat. I might add that by doing so he is using that portion of his body where most of his brains are anyway.

An hon. Member: Shame.

Mr. Howard: I say this is merely a sham battle on the part of the Liberal party. I say they are simply putting up a smokescreen when in reality they believe in the same principle and would do precisely the same thing if they were in office. It makes me a little sick to listen to a discussion of this kind when we know very well that they really do not believe what they are saying.

(Translation):

Mr. Caron: Mr. Chairman, while I was listening to the hon. member for Skeena (Mr. Howard), I asked myself the very question he was putting to the hon. member for Toronto-Trinity (Mr. Hellyer): what he would do if he had the responsibility of government?

However, my reason for taking the floor is that I remembered this statement which the Prime Minister (Mr. Diefenbaker) made during the Conservative convention in Ottawa:

> The next elections will be a fight between private enterprise and socialism.

I got to asking myself whether this were not precisely the reason for the introduction of this bill.

With this increase in the number of directors, whether we or the government appoint people of doubtful ability, it is absolutely sure that the C.N.R. deficits will increase and that the administration of the company will only get worse. Perhaps, then, the government will use that as an excuse for handing over the company to private industry under the pretense that they want to fight socialism.

That, in my opinion, is where the danger lies, for this change will enable the government to do whatever they want and appoint whoever they want.

Whether the government appoints Conservatives, Liberals or C.C.F'ers to that board

of directors, I could not care less, but if the nominees have not the necessary ability, then it is quite possible that things will take a turn for the worse within the C.N.R. and that those great defenders of democracy will take that as an excuse to say later on: We must get rid of that railroad, in the interest of Canada, and hand it back to private industry.

That is why I am under some apprehension regarding this bill.

(Text):

Mr. More: Mr. Chairman, I had not intended to participate in the debate. I sat here containing myself while the hon. member for Kenora-Rainy River was speaking because I did not wish to go too far in any remarks I might make. During the course of his remarks he made a personal attack in a rather indirect way on the competency of a gentleman from Saskatchewan appointed to the board of directors of the C.N.R. since the government took office. He referred to "Who's Who" and a couple of items found therein with regard to this gentleman. He did not see fit to refer to his very distinguished war record. He did not see fit to refer to the fact that he has been an outstanding businessman in western Canada for many years, that his interests are wide and diversified, that he is a university graduate, a graduate of the Royal Military College in Kingston. He did not refer to many other things, all of which go to make up a very competent man.

Mr. Winch: On railway matters?

Mr. More: The hon. member simply referred to his activities on behalf of the Conservative party. This has been his participation, and I do not believe he has to apologize for it now. I do not see how this participation could in any way affect his competency or the appointment that he received. I want to say this from personal knowledge. Since his appointment, this gentleman has devoted almost the whole of his time to the interests of the railway. He has been helpful in bringing about a better understanding and better morale among the employees of that area. I think the reference to him was entirely out of place and uncalled for.

It seems to me that a gentleman who sat with the government for so many years which had the appointment of this board in its hands, which had on its shoulders the responsibility for the Canadian National, and who only this week finds out that the business manager of Canadian National was appointed from the board of directors by the president of the corporation has not looked after the affairs of the country or participated as fully as his responsibilities required him to participate. When he sees fit to get up in this house and throw stones as he did today by making allegations of incompetence as he did, then I think he is entirely out of order.

With that reference, I wish to return to the matter of political appointments. I am not going to back away from the stand that where you find competence, where you find a man friendly to your party, you should not hesitate to appoint him. I got a big kick out of the performance that has been put on here this afternoon which has had the effect of holding up the bill. I feel the sincerity of the attack is very doubtful. The indignant manner in which the hon. member for Kenora-Rainy River told the committee how he would have acted in the committee if he had had knowledge of the appointment that had been made, merely indicated to me that he has been a pretty good pupil of the hon. member for Essex East. The sincerity of purpose of the hon. member for Essex East does not always keep pace with the righteous indignation he exhibits when he rises to speak.

I do not believe the hon. member down in the corner has much about which to complain. I cannot conceive of a government which is responsible for appointments and finds a competent man who is friendly to that government, and can be depended upon, that would not appoint that man. Certainly, I believe such an appointment would be fitting recognition. I have no hesitation in admitting this should be a consideration in every appointment when a government has to depend on these people to carry out their duties in a manner that will redound to the credit of the government.

I do not believe the C.C.F. will ever achieve power because they are dead ducks now that the New party is on the horizon. However, let us assume they formed a government. I do not believe they would act any differently from any other government. All I can go by in my analysis of this situation is the action of the government in Saskatchewan, the only place where the C.C.F. party has the conduct of public business. You cannot count on your fingers the ex-candidates and cabinet ministers who head boards in that province because in nearly every case in which there has been an appointment of that nature, someone in this category has been appointed. Let me say at once that I am not reflecting on the competency of these men. I know many of them well, and I think they have done an excellent job. I think the government would have been utterly foolish if they had not seen fit to appoint these men, having in mind their competence. The hon. member who just spoke on behalf of that party before I rose seems to be in disagreement with his colleague from Port Arthur on this point. Not

very long ago the member for Port Arthur said, why not openly admit that there should be patronage involved in these appointments because it is only proper that a minister should have confidence in these men.

I shall be brief. I am going to support this bill. I feel that railway problems have become so great and the work load has increased to such an extent, that the executive should be increased in number in order that the problems may receive proper attention. I think the present board of directors is doing the job to the best of their ability, but I think they need help. I feel this bill is a proper bill to come before the committee at this time and it is my intention to support it.

Mr. Martin (Essex East): I am sure that I will incur the displeasure of the hon. member for Regina City if I deign to participate in this debate because of the remarks which he made at the outset of what he had to say. Regrettably, of course, those who support the government seem to believe it is their privilege, and only their privilege, to discuss measures in this house. When members of the opposition seek to expose weaknesses in legislation, they are attacked on the ground that what they have said does not represent their convictions; that they are insincere. The only sincere people in parliament, of course, are the members of the ministry and the members of the Conservative party.

Some hon. Members: Hear, hear.

Mr. Martin (Essex East): I am glad to find that there is confirmation for this view through the applause that has been enthusiastically led by that most objective member, the whip of the Conservative party. It shows the high standard of objectivity of hon. gentlemen opposite. I have a lot of respect for the hon. member for Regina City, and I can only say it is because he has not fully appreciated the policy of the government as represented by this bill that he has failed to understand why the Liberal opposition has been taking the strong position it has been taking with regard to this measure. It is because we feel that a matter of the importance of Canadian National Railways, involving as it does the expenditure of many hundreds of millions of dollars in respect of property valued at well over a billion dollars, is of such a character that the management should be regarded as most efficient; that it should be a management that has the confidence of the administration.

Of course, I am regrettably restricted in any comments in this regard because of a ruling made this morning, a ruling that has not been observed this afternoon when all kinds of matters have been introduced. We dare not ask the government why it refuses to indicate clearly its intention with regard to the permanency and the reappointment of the president of Canadian National Railways. I have had to say very strongly what I felt about that matter this morning and the record is there for those interested and concerned to note. If there is going to be observance of the rules of relevancy in debate, it must persist from the time the debate begins until it concludes, and there must be no singling out of preferences for those who participate in the debate, whether they be on one side or on the other.

Now, Mr. Chairman,—

The Chairman: Order; before the hon. member for Essex East continues, may I say that I noted his careful avoidance of any reproach to the Chair in connection with the things he had in mind. I might mention to him that the extraneous matters which were introduced into the debate were introduced by the hon. member for Kenora-Rainy River. I felt I should give him the opportunity to explain his position because he was not present during the debate on second reading. The points made by the hon. member for Kenora-Rainy River invited other remarks, and it was at that point that extraneous matters were introduced. This does not mean, I believe, that there has been a favouring of one side more than the other.

Mr. Martin (Essex East): As I was saying before this intervention took place, we had sought to establish from the ministry what its intentions were with regard to the management of the railway. The minister, manfully I thought, at long last did something which I suggest he should have done much earlier in the debate. He said that, as far as he was personally concerned, he had no quarrel with the president of the railway and that he had nothing but the highest regard for his competence. The question, of course, is not so much what the minister thinks, although that is important, but what the government thinks; and the country has the right to know, when we are called upon to provide for additional directors of the railway, what disposition is going to be made of that particular phase of the situation. The people of the country have the right to know that and to be assured that their affairs, directly or indirectly—and it is indirectly in this case through the railway—are being administered by men of competence and integrity.

There has been no attack on the integrity of any person connected with the administration of the railway but strong criticism has been made of the competence of the

management. The people of this country and this parliament have the right to know what the view of the government is. We know what the view of the minister is. He has told us his view, and I wish he had done so earlier in the debate. Had he done so, we would not have had this protracted discussion. But what is important to know is what the position of the government is. Is that the view of the Prime Minister? Is that the view of the Minister of Finance?

As the hon. member for Bonavista-Twillingate stated, this indecision is not good for the railroad. It does not make for the fulfilment of the standards of good administration and good government to have this hesitancy and this uncertainty prevail. Having already reaffirmed earlier today what I believe to be a strong point, namely that where an attack is made upon an official of the crown there is an obligation upon the part of the minister and the government to defend that official or repudiate him, what I rose to say is this. The minister has not yet answered the basic question with regard to the immediate purpose of this bill.

I do not altogether fail to appreciate the fact that the minister has been wise and is wise—surprisingly wise, in my judgment—in the way in which he handles himself in this chamber. He has learned the art of prudent reply and paucity of reply. It is up to the opposition, of course, to seek to elicit information even from a minister who finds that it is more prudent to say as little as possible.

Mr. Stinson: He sets a good example.

Mr. Martin (Essex East): Yes. My hon. friend from York Centre says that he sets a good example. It is the role of a good negotiator on the government side to speak little. It is the role of an effective opposition spokesman to take every occasion possible to expose the weaknesses in the flanks of the government. That is what we are doing.

Mr. Pickersgill: That is what parliament is for.

Mr. Martin (Essex East): As my friend the hon. member for Bonavista-Twillingate says, that is what parliament is for; and in the prosecution of that assignment the task of the opposition is to try to get a reluctant and somewhat arrogant ministry—

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): I did not say "minister"; I said "a somewhat arrogant ministry". The task of the opposition is to try to get a reluctant and somewhat arrogant ministry to give the kind of replies that will provide the necessary assurance to the Canadian people. Why are we being asked to supply additional directors? No reason or no explanation whatever has been given.

Mr. Creaghan: The committee recommended it.

Mr. Martin (Essex East): My hon. friend says that the committee recommended it. If that is the case, we could easily have had from the minister a repetition of the reasons the committee gave. We have not even had that.

Mr. Balcer: I did do that. I read it from the committee report.

Mr. Martin (Essex East): We have not had one word of explanation. All the minister said is that they feel that it is in the interests of this company that there should be more directors. But we have had no evidence, no information or no justification for that request. I am not going to enter into a discussion as to whether or not political considerations attend government appointments. I would hope that most governments, when they come to appoint someone to hold a position of trust, are motivated primarily by the national interest. I believe that is generally the case and I would hope it applies to this government.

Mr. Winch: Are they always Conservatives?

Mr. Martin (Essex East): My hon. friend says "Are they always Conservatives?" The minister said that one of the directors to be reappointed happens to be man who fortunately has the wisdom to recognize the errors of the Conservative part, and that is a very valuable argument on the minister's side.

Mr. Pickersgill: But he did not say that he would reappoint him.

Mr. Martin (Essex East): As my friend the hon. member for Bonavista-Twillingate points out, he did not say that he would reappoint him; although as was said, because of this argument it will be difficult for the minister not to reappoint this man. But what reason is given? If the government wants to be able to absolve itself from the charge of political partisanship to an extreme degree, can the government fail to give us the reasons for these required additional new directors? What has happened in the administration or in the financial record of the Canadian National Railways to warrant these additional appointments of directors? In the absence of a satisfactory explanation, the government cannot expect to escape the charge that the only

reason it is making these additional appointments, is that it wants to make political appointments. I am not saying that is the reason. I am saying that the government—

Mr. Winch: Why not come out and say that it is the reason?

Mr. Martin (Essex East): I do not know whether it is the reason. I am trying to find out. I am not saying it is the reason. What I am saying is that, in the absence of a satisfactory explanation, that can be the only deduction that a reasonable person can make. However, I am trying to give the minister an opportunity of telling us why he is coming forward with this bill and why we need these additional directors. The minister should tell us whether or not the board of directors themselves have recommended this action. Was this a recommendation of the president of the Canadian National Railways? Did the board itself feel that it could not possibly discharge its responsibilities unless more colleagues were provided? Is that the situation? If that is the fact, let the minister say so. Then let us examine whether or not there is any validity for the request. The mere fact that the board asks for greater assistance is not an argument that must be accepted without question. Let us find out what are the reasons.

If the government cannot give the reasons, it lays itself open to the charge that the only reason is that it wants to give a reward to people who have served the government in a political manner. That reason in itself is certainly no justification for incurring further expenditure of public money. There can be no justification at all for that kind of appointment unless there is a need. I now ask the minister to tell us precisely why these additional directors are required as provided for in this bill. I ask the minister to tell us what the government's position is in regard to the reappointment of certain directors, including the president of the Canadian National Railways.

On this simple matter today we have had to extract, by force of debate, even these concessions from the government. We could have passed this bill in half an hour if the minister had simply indicated why he wanted these additional directors or if he could have told us what the government's intention was with regard to their further reappointment instead of sitting quietly, creating suspicion as to the reasons behind this very simple measure. I ask the minister now, in the dying hours of today, on this the queen's birthday, to rise in his place in order to banish—

Mr. Lambert: You have said all this before.

Mr. Martin (Essex East): What was that very intelligent remark of the hon. member for Edmonton West who is always making these very happy interjections?

Mr. Lambert: That is all right.

Mr. Martin (Essex East): I should like to hear what it was.

Mr. Winch: If it came from him it was not intelligent.

Mr. Martin (Essex East): I would not say that. I think the hon. gentleman is very intelligent but he is reluctant—let us put it that way—and shy. His shyness results in his speech giving the impression of odd grunts here and there which are not always decipherable.

But let the minister tell us why he wants these directors. Let him give us the reason. The minister is a reasonable man and if he gives us a reasonable answer we shall give him reasonable support.

Mr. Brunsden: In the furore of this debate it seems to me one point has been overlooked, and that seems to be the creation of a new quorum. We have at the moment a quorum of four whereas the bill provides for a quorum of seven.

An hon. Member: Is that on clause 1?

Mr. Brunsden: If I were the owner of a $100,000 business, let alone a multi-million dollar business, and could not control it myself, I would much rather have seven men combining their wisdom, and reaching conclusions, than I would have four. I think this is an important point in connection with the future of the C.N.R.

My hon. friend from Acadia mentioned that we in Alberta feel a little slighted because of our lack of representation on the board. Another reason for the extension of the number of directors, as I see it, is that some of the slack may be taken up. We may be able to get more general representation, and if we do we should get a country-wide pooling of knowledge which would be most helpful to the company.

Mr. Chevrier: The hon. member for Bonavista-Twillingate indicated to the committee that there should be regional directors appointed, or at least he took it for granted that such would be the case notwithstanding the protest of the hon. member for Vancouver South who on an earlier occasion tried to create the impression that nothing of that sort would take place. I think the minister owes it to the committee to give some indication as to whether or not directors will be appointed from the various regions of Canada. As I have looked at the annual reports of

the C.N.R. tabled over the years I have found that the seven directors were appointed to represent various geographical or regional areas of this country. Is it the intention that these additional directors will be appointed one from each province or is it the intention to appoint two from some provinces?

Then again, in answer to the question whether or not he was satisfied with the services of the head of the C.N.R., the minister replied that personally he had always had extremely good relations with Mr. Gordon who had extended co-operation during the time he had been minister. The hon. gentleman added that he was satisfied with his work. So far, so good; but does that statement apply to the rest of his colleagues? As far as the Minister of Trade and Commerce is concerned he did tell us what his opinion was during the sittings of the committee on railways last year, but what of the other colleagues of the minister—

Mr. Churchill: It has nothing to do with the bill at all.

Mr. Chevrier: The leader of the house has just come into the chamber and has made that clever interjection. If he had been here this afternoon he would have realized that the discussion under this clause roamed far and wide.

Mr. Churchill: Then it should not have done.

Mr. Chevrier: If he says that this has nothing to do with the bill, he should have been here earlier. He would have realized that it had.

Mr. Churchill: Well, I will rise on a point of order. The hon. member is discussing a bill which has to do with an increase in the number of directors of the C.N.R. He is asking what is the opinion of the colleagues of the Minister of Transport regarding an individual. That has nothing to do with the bill and I ask for your ruling, Mr. Chairman.

Mr. Chevrier: Why, then, did the minister answer the question as far as he is concerned? Having put on record the view of the Minister of Trade and Commerce, surely the committee is entitled to know whether the government is satisfied with the services of the four directors whose terms have expired and have not been renewed. This is the question which I should like to direct to the minister.

Mr. Balcer: Several times at the beginning of the session a similar question was asked by the hon. member for Laurier. I said at the time that we had legislation on the order paper to increase the number of directors and that instead of making appointments piecemeal these appointments would be made all together when this legislation is passed. As far as the choosing of new directors is concerned, this is a matter of government policy and decisions will be announced in the house when they are taken.

Mr. Chevrier: I am afraid the minister has not followed the question I put to him. I did not ask him to give me the names of those who would be appointed. That, I agree, would be out of order. But the minister said that when this bill was before the house he would make the position known.

Mr. Balcer: When the bill was passed.

Mr. Chevrier: The bill is now before the house. He has said that personally he is satisfied with the services of the president of the company. I have stated that the Minister of Trade and Commerce has said that he was satisfied with the services of that gentleman. I am asking, now, whether the government is satisfied with the services of the four directors whose terms of office have expired.

Mr. Balcer: These gentlemen have been named for three years. Their term of office has expired. According to the statute they remain in office until their successors are appointed or until their reappointment. Decisions as to the appointment of their successors or as to their reappointment are for the governor in council to take and when they have been taken the hon. gentleman will learn who are the directors of the C.N.R. I think this is the way in which this should be done. It is the way in which it has always been done and I do not think I should go any further than that.

Mr. Chevrier: There is the additional point which has just been mentioned by the hon. member for Essex East and which I discussed earlier—

Mr. Thrasher: He apparently does not know your name.

Mr. Chevrier: If I don't know, why don't you enter the debate? You have been sitting there all the afternoon.

Mr. Thrasher: I should be very happy to do so if the hon. gentleman would make the floor available to somebody else instead of occupying it all the afternoon.

Mr. Chevrier: The hon. member and his associates have been trying to curtail this debate. As an example of that I draw attention to the fact that there has been a sessional committee sitting while the house is sitting. Then there was an interjection from the Solicitor General saying we were wasting the time of this committee—

An hon. Member: So you are.

Mr. Chevrier: —which he had no right to make according to the rules of the house.

Mr. Chairman, I asked the minister a question in respect of the regional directors of the Canadian National Railways, namely, what is the intention of the government in so far as the appointment of regional directors is concerned?

Mr. Balcer: Mr. Chairman, that has nothing to do with this bill. There is no question regarding regional directors included in this bill; it is strictly a proposal to increase the directorship of the Canadian National Railways.

Mr. Chevrier: Mr. Chairman, is the minister going to adopt any attitude in respect of the attacks which were made by his own supporters, and others, against certain of the directors of this crown corporation, and particularly in respect of one director, the president of the Canadian National Railways?

Mr. Balcer: Mr. Chairman, I have nothing to add to what I have already said.

Mr. Pickersgill: Mr. Chairman, I suggest we have witnessed, during the last few minutes, the most extraordinary contempt of parliament which I have observed in this chamber for a very long time. We all recall those sermons which we used to listen to from the hon. member for Lake Centre, and later the hon. member for Prince Albert, now the Prime Minister of Canada, regarding government by order in council, yet the Minister of Transport has just told us that orders in council will be passed, following the passage of this legislation, and that parliament has no right to know anything about what the government intends to do. He has told us that they are the masters and that we are the servants of parliament. I suggest this is a shocking attitude to take toward parliament.

Mr. Pallett: Mr. Chairman, would the hon. member permit a question?

Mr. Pickersgill: Certainly.

Mr. Pallett: Was there any indication to parliament, when the seaway authority was constituted, that the then minister of transport, the present hon. member for Laurier, would be the chairman of that authority?

Mr. Pickersgill: There was a good deal of speculation about it, but I should remind the hon. gentleman that the seaway authority was created as a new institution, and that the Canadian National Railways has been in existence for a great many years. The president of the Canadian National Railways does not know, and has not known since September 30, 1960, whether he is to be continued in that office.

An hon. Member: Too bad.

Mr. Pickersgill: I suggest it is a contempt of parliament to ask us to give the government the power to appoint more directors, at a time when it will not tell us anything about what is being done in regard to the directorships, which it has had the right and duty to appoint since last September, during a period of time when it has no right to allow these vacancies to remain unfilled.

An hon. Member: They are not vacant.

Mr. Pickersgill: The provision in the act covering this situation, as everyone knows, was intended to meet a vacancy over a week end, or something of that sort, but not in respect of a vacancy of eight months, a period when there existed only three properly appointed members, four vacancies being held by individuals who are on suspended sentence, not knowing whether they are to be reappointed or not. If that is the way this government feels the C.N.R. should be run, we should not be surprised, because that is the way it runs everything else.

Mr. Winch: It is waiting until the capital punishment bill is passed; to hang or not to hang.

Mr. Pickersgill: I think the hon. member for Vancouver East has assessed the situation accurately; the government cannot really make up its mind whether to hang Mr. Gordon or to give him a life sentence, and is waiting until the capital punishment bill is passed. However, I suggest this is not the way to treat parliament, but is the most arrogant example of the doctrine of government by order in council that it has ever been my experience to witness on the part of any minister in this house. It is being done by a minister of the cabinet of the present Prime Minister, who went up and down this country denouncing government by order in council, although there never was any order in council passed which was not properly authorized by parliament, and I think the hon. gentleman realizes that. It is very interesting, however—perhaps I would be out of order to pursue that thought—

An hon. Member: You are out of order now.

Mr. Pickersgill: I am certainly not out of order now in saying that I am opposed to passing this clause and in giving my reasons. If we are not allowed even to give our reasons for opposition in this house, what then can we do in debate? I am opposed to the passing of this clause because I do not think five more directors are needed in view of the fact that the government cannot even make up its mind what to do in respect of the vacancies that exist now, and which have existed since

last September. As some hon. members of this house know, there were directors who expressed their indignation about that situation, notably—perhaps this is another matter about which I should not say anything.

However, I repeat my opposition to the idea of asking us to vote the taxpayers' money blindly, in the creation of five more jobs, when the government cannot even make up its mind to fill the vacancies which now exist. At the same time they are informing us that we have no right to know how the existing vacancies will be filled until after we have created the extra positions. Surely if they want to give proof that the new positions would be filled by competent individuals, they could do so by making appointments to these vacant positions. If the government feels that Mr. Gordon, Mr. Gagnon and one other member, because one individual died while awaiting reappointment, are not competent, surely they should find other individuals to appoint and prove to us that they can make good appointments. If the government did that, perhaps we would be better disposed to give it the right to appoint five others. How could any reasonable person have the slightest confidence in the capacity of the government to appoint five other competent individuals, when it cannot make up its mind in respect of the four reappointments it has the right to make now?

Some hon. Members: Hear, hear.

Mr. Pickersgill: It is beyond belief, Mr. Chairman, that this government should indicate that it will not tell us anything about what is to be done, and will not use the powers it now possesses to reappoint members of the board of directors, until it is given further power to appoint, through orders in council, five additional members, following which we in parliament will not be able to do anything about the situation. If ever the doctrine has been enunciated that parliament is the servant and the cabinet the master, it has been enunciated by the Minister of Transport this afternoon.

The Acting Chairman (Mr. Chown): Shall clause 1 carry?

Mr. Chevrier: No.

Mr. Martin (Essex East): No.

The Acting Chairman (Mr. Chown): Shall I put the question in respect of clause 1?

Mr. Winch: Two of your own members are out of their seats.

Mr. Chevrier: Mr. Chairman, in respect of clause 1, is the minister going to give us any information as to whether there will be regional representation in the appointment of the directors.

[Mr. Pickersgill.]

Mr. Balcer: Mr. Chairman, this point was covered during the time we were discussing the principle of the bill. All I have to say now is, we are going to appoint Canadians who will do a good job for the Canadian National Railways. We will choose the best men in Canada for the job and, in doing so, will try to make sure that these people represent all Canadians in all areas of Canada. There will not be any citizens who will feel left out, because among the directors will exist fine Canadians possessing broad enough ideas to look after the whole of Canada.

Mr. Pickersgill: Mr. Chairman, would the minister inform the committee whether there will be an appointment from British Columbia?

Mr. Balcer: Mr. Chairman, we intend to make the appointments in a broad fashion, so that the whole of Canada will be represented.

Mr. Pickersgill: Mr. Chairman, could the minister inform us whether there will be anyone appointed from Newfoundland, or Nova Scotia, or Prince Edward Island?

Mr. Brunsden: How about Alberta?

The Acting Chairman (Mr. Chown): Shall clause 1 carry?

Mr. Pickersgill: No, Mr. Chairman, I should like an answer from the minister. I have directed a specific question to him and intend to oppose the passage of this clause until I receive an answer.

Mr. Balcer: Mr. Chairman, we must have 12 Canadians on this board of directors who will represent Canada, and we will attempt, as far as it is possible, to have representation from each province. It may very well be that two will be from one province, while another province may not be the residence of a member. This situation will prevail for a limited period of time, and then will be changed. The procedure to be followed will be similar to that in respect of many other boards and commissions.

Mr. Peters: Mr. Chairman, does the minister intend to give consideration to the necessity that representatives must not only represent the people, in the running of the Canadian National Railways, but must obviously be qualified individuals regarding the operation of a railway? The suggestion is made—and it has been made during this debate—that it is advantageous to have the board constituted on a representation basis. It would be more advantageous to have the board composed of individuals representing people who are qualified to run a railway. This would alleviate the apparent distress among the workers and the supervisory staffs of the

railway. As it is now, no one seems to know how to run the railway operations from a technical point of view. I would think that some consideration should be given to this charge and to the problems raised in connection with the morale of the workers themselves. It seems to me that this is very important. I am quite sure this is one of the reasons why the government has refused to renew some of the appointments to the present board. If my suggestion were adopted it would probably be a step toward solving some of the problems now inherent in the board of directors in so far as the operation of the railway is concerned.

I should like to know if the minister has given any consideration to the factors I have mentioned. Has he considered the appointment of people with technical knowledge who have come up through the railway ranks and who know how to operate a railway?

Mr. Balcer: I can assure my hon. friend that his suggestion is a sound one and it will certainly be considered at the time the appointments are made.

Clause agreed to.

Clauses 2 and 3 agreed to.

Title agreed to.

Bill reported.

Mr. Speaker: When shall the said bill be read a third time?

Mr. Chevrier: Next sitting of the house.

Some hon. Members: Now.

Mr. Hellyer: Next sitting of the house.

Mr. Speaker: Does the minister wish to proceed with the third reading?

Mr. Balcer: Yes.

Mr. Chevrier: I said "next sitting of the house".

Mr. Speaker: It is for the house to decide. I take it it is within the rules to proceed with third reading if the house wishes.

Some hon. Members: Now.

Mr. Speaker: Now; agreed?

Mr. Chevrier: On division.

Mr. Balcer moved the third reading of the bill.

Motion agreed to and bill read the third time and passed.

CANADA SHIPPING ACT

Hon. Leon Balcer (Minister of Transport) moved the second reading of Bill No. C-98, to amend the Canada Shipping Act.

He said: Mr. Speaker, I think the bill we have before us at the present time is an important one even if it contains more detail and minor amendments. It might not have the importance of the previous bill, according to my hon. friend from Bonavista-Twillingate, but I still recommend it to the house.

The Canada Shipping Act is a very lengthy document which deals with virtually all aspects involving technical regulation and administration of matters relating to shipping. Since it deals with these matters in considerable detail, it is not surprising that, from time to time, some of its clauses become out of date and require amendment or amplification. This can happen because of technical changes in the marine field, because of changes in international law and agreements, and because of changes in the laws of other countries. It can happen also because of changes in the status of various areas affected.

A statute such as this has to be brought up to date from time to time and the amendments contained in the present bill are amendments which we have been collecting for a period of four or five years for this purpose, rather than seeking to introduce amendments of this sort at virtually every session.

Because the changes are technical in nature and are numerous, I do not intend to describe every one of them in this speech. Since I propose to refer the bill to the standing committee on railways, canals and telegraph lines, there will be ample opportunity at that time to go into each clause in detail. Any general review on my part at this time might overlook points or clauses which some hon. members may consider important, but I will at least attempt to mention a few of the more important changes in broad terms.

The present bill contains revised definitions of home-trade voyage, inland waters and minor waters. There is at present an anomaly in the definition of home-trade voyage in that a Canadian vessel can, in theory, make an extended voyage as a home-trade ship around the whole North American continent with the exception of a comparatively short portion betweeen the north end of the Bering strait and cape Spencer in Alaska. If, however, the Canadian ship goes from Prince Rupert through the Bering strait to a Canadian port in the Canadian western Arctic, she is considered a foreign-going ship. The amendment provides for the classification of a voyage through this area as a home-trade voyage, which is consistent with our definition elsewhere; and it also brings the wording of this section up to date in view of the fact that Alaska and Hawaii are now states in the United States of America. The addition

of Newfoundland, including Labrador, as an additional province of Canada, will also now be covered under the clause.

The definition of inland waters will be changed by the bill to include the port of Havre St. Pierre, about 50 miles east of the present limits in this definition. This will be of assistance to our lake ships making voyages to the gulf of St. Lawrence, and to our coastal traffic on the St. Lawrence. To avoid any misunderstanding, however, I should add that this is not related to the proposal which I announced recently to limit our domestic coasting trade in the great lakes area to vessels of Canadian registry. The necessary amendment for that purpose is not included in the present bill since we have not yet concluded our diplomatic consultations. However, while it is not exactly relevant to this bill, I might tell the house that I will have a correction to make in the announcement I made the other day as far as the limit downriver is concerned.

Mr. Chevrier: Instead of Les Escoumains.

Mr. Balcer: Instead of Les Escoumains it will be inland waters and the limit will be as mentioned here. I should like to add that the Canada Shipping Act will not be changed at the present time to cover any of the matters dealt with in the announcement I made the other day. The necessary amendment for that purpose is not included in the present bill since we have not yet concluded our diplomatic consultations on this matter.

Mr. Chevrier: May I ask a question? The minister has said this is not related to the other matter, the coasting trade, with respect to which he will bring in amendments to the commonwealth merchant shipping agreement later. Does he mean that the new easterly limit will be cap des Rosiers to the west point of Anticosti instead of Les Escoumains?

Mr. Balcer: That is right. This will be in the note that we will send to the other countries of the commonwealth who have signed the commonwealth shipping agreement.

The definition of minor waters in Canada has been amended to include lake Winnipeg to assist ship operators on that lake who, up to the present, have been required to have the same degree of certification as ships on the great lakes where conditions are quite different. The amendment will place lake Winnipeg in the same class as other bodies of water in the Canadian west such as lake Manitoba, lake Athabaska and Great Slave lake.

We also propose to correct an anomaly existing with regard to the position of bodies corporate from the Republic of Ireland in the matter of ship registry. At present an Irish citizen may qualify to be the owner of a British ship but a company incorporated under Irish law does not have this privilege. This arises because of the effect on Canadian law of certain changes made in both United Kingdom and Irish law over recent years.

In recognition of the substantial growth of pleasure boating in Canada, we propose to adjust the tonnage floor with regard to registration of pleasure yachts. At present any pleasure craft over 15 tons must be registered while any craft under 15 tons need only be licensed under the simpler small craft procedure, although it may be registered if the owner desires. We propose to raise the 15 tons to 20 tons so that the simpler procedure of licensing may in future be followed by those owners of pleasure craft between 15 and 20 tons.

There are quite extensive changes and adjustments made with regard to the requirement for engineering personnel on ships. I will not attempt to describe these in detail but will only mention one or two examples. We are providing for the first time for a special certificate for the chief engineers of motor-driven fishing vessels who up to the present have been required to hold a third-class engineering certificate. The examination for the new proposed certificate will be based primarily on practical knowledge. We believe this will be of considerable help to the fishing industry.

On the other hand, we are providing that on large home-trade, inland and minor waters ships a first class engineer be carried while previously the maximum requirement was for a second class engineer. We believe this is a necessary step in the direction of safety due to the larger, more powerful and more complicated types of machinery being used. The rights of engineers who obtained certificates of competency for this purpose prior to the passage of this new legislation will, nevertheless, be recognized.

Also, in view of strong representations received from our coastal tug boat operators, we propose that tugs of not more than 150 tons gross tonnage, where full control may be exercised from the bridge, may be exempt from the carriage of certificated engineers when making voyages of the inland or home-trade type. All of these and the other proposed amendments of this type have been very carefully examined by our steamship inspection service to satisfy ourselves that we are in no way affecting the necessary degree of safety in operations.

We also recognize that there may be special cases where it is unnecessary to require a deck officer of a ferry vessel to have a broad marine certificate and that the prime requisite need be only expert knowledge of the

ferry run itself, and we are providing that special certificates may be issued for this purpose.

There is also a clause which provides for adjustment in regard to exemptions from compulsory pilotage dues in one pilotage district only, namely, between Cornwall and Montreal. To place this district on the same basis as other pilotage districts farther down the river, introduction of compulsory pilotage dues has been desirable. However, in order to accord fair and equal treatment to United States vessels in this connection, it is necessary to introduce an amendment to permit exemption of United States vessels along with the present exemptions accorded to Canadian and British vessels. The highly co-operative attitude of the United States in working out joint pilotage arrangements on the great lakes justifies a modification of this sort. This has been discussed fully with and explained to the pilots.

In the field of small pleasure craft, which is becoming increasingly active, we have decided that as a result of experience we should extend our authority to maintain necessary safety measures somewhat. At present we have the authority to require specified safety equipment to be carried in powered vessels but, as a result of lengthy study and discussion, we have decided that the time has come when we should seek authority also to establish regulations regarding safety equipment, that is, lifejackets, et cetera, which should be carried in unpropelled vessels at present outside the scope of the act. Similarly, as a result of experience we propose to provide for the compulsory marking of small pleasure vessels with some sort of plating which will show the safe limitation of engine horsepower and gross load capacity for that particular type of boat. This has been tried out on a voluntary basis over the last couple of years and has been very successful.

We have a clause which will strengthen our machinery with regard to marine search and rescue by granting additional powers to marine search and rescue co-ordinators when engaged in marine search and rescue activities.

We also have certain clauses changing the present provisions about limitation of liability. The changes will give effect to provisions of the international convention relating to the limitation of liability of owners of sea-going ships, signed at Brussels on October 10, 1957. Here again, the full explanation would be complicated, but one principal effect will be to adjust upwards substantially the old limitations of liability which have not been changed for many years. Owners' liability where there are both property and personal claims is being raised from $72.97 per ton to 3,100 gold francs $206, and in respect of property claims only from $38.92 to 1,000 gold francs or $65.

The definition of "ship" is slightly broadened as is the coverage of the clauses generally. Recognition also is given to the paramount position of national law in overriding these limitations where applicable.

As I indicated at the beginning of these remarks, a full description of all the clauses in the bill would probably take another hour or two. I trust, however, that for the purposes of this debate and in view of my intention to refer the bill to the standing committee, members of the house will find this present explanation satisfactory.

Mr. H. M. Batten (Humber-St. George's): Mr. Speaker, I do not propose to make a long speech on the bill at this time. I think it is understandable that from time to time it is necessary to amend an act of such proportions as the Canada Shipping Act in order to meet various changes and modern demands and practice. The present bill is one that contains 41 clauses, some of which are of a minor nature while others will need detailed study. I believe, therefore, this is the type of bill that could be more properly handled in a committee than in the house and I was very pleased to hear the minister say it will be sent to the committee on railways, canals and telegraph lines. I believe this procedure would give members an opportunity to get a very clear explanation of the different provisions in the bill.

I am particularly interested in some of the provisions such as those relating to fishing boats. I notice that the bill, when referring to fishing boats, refers to the fact that certain boats must have engineers with certificates if the boats have a power beyond a certain nominal horsepower. For the purposes of clarification, I should like to have horsepower stated in terms other than nominal because I think they would be more easily understood by the fishermen who will be guided by the terms of this bill.

I note, too, that the minister made reference to the fact there are some clauses in the bill dealing with pilotage. I would think that pilotage is becoming more important all the time, particularly in view of the announcement by the minister of a new shipping policy and because of the St. Lawrence seaway. Pilotage is important to me because I think we have some places in Newfoundland where pilotage could be better implemented than it is at the moment. I am referring to the port of Corner Brook on the west coast of Newfoundland, and on some other occasion I shall have an opportunity of referring to that matter more fully than a discussion of this measure will permit.

I feel that the provisions dealing with the safety of pleasure craft are of great importance and should be well discussed in the committee on railways, canals and telegraph lines. There is nothing more I want to say in connection with this bill, Mr. Speaker. As I said at the outset of these remarks, I feel this is the type of measure that can be more properly discussed in a committee and when that time comes we will be prepared to take up the different items in the committee.

Mr. Lucien Cardin (Richelieu-Vercheres): The Canada Shipping Act is a truly important piece of legislation. In my opinion, it is a basic part of our legislation dealing with one of our most important industries. In past years, there has been a decreasing amount of shipping done by our own Canadian ships. Our Canadian fleet has decreased year by year. This has been due to many factors, and I am sure all hon. members hope that the amendments now being brought forward in this particular bill will help to promote and facilitate shipping in our Canadian waters.

The bill, as was explained by the minister, covers a great number of amendments, some of which are of an important nature while others are of minor significance. I hope that it will be possible, when the bill is returned to the committee of the whole, for Canadian shipping to be discussed fully with a view to extending all possible facilities to this extremely important Canadian industry.

I do not have to mention to the house that our country is largely a trading country and it is at times disconcerting to see ships other than Canadian ships travelling along our rivers and lakes, and all our products being moved in bottoms other than Canadian bottoms. I feel that this whole shipping problem might well be discussed during the study of this particular bill. I cannot at this moment say what the effects of the proposed changes will be. Once we are in committee, it will be easier to study each of the clauses in detail.

There are included in the bill, as my hon. friend said a while ago, provisions relating to fishing vessels as well as the registry of ships, the definition of "ships" and "inland waters", all of which are of tremendous importance in determining just how beneficial to Canadian ship owners these amendments might be.

There is one amendment in particular to which I should like to refer directly and that has to do with pleasure craft. I am happy to see that the government has taken some steps to regulate the movement of pleasure craft. I am quite sure all hon. members realize that this particular activity is becoming an important industry in our country and that our rivers and lakes are filled with craft of all types. There seems to be a growing tendency to increase the horsepower of motors, while at the same time to decrease the sturdiness and weight of the hull in order to get greater speed. Although like everyone else I like to have great speed, I believe it would be wise to make sure that it is not overdone and that we do not incur dangers which could easily be avoided by regulation. There are, as hon. members know, a considerable number of accidents each year with these craft with huge motors and hardly any hull. It may be that, with the help of the regulations, we can avoid these lamentable accidents and, at the same time, not destroy the pleasure that can be derived from these craft. I hope it will be my pleasure, during the time the bill comes before the committee, to ask all the questions that arise in connection with each one of the clauses of this bill. I hope that eventually the effect of the bill, once it passes, will be to help Canadian ships in our own waters.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I rise to speak very briefly on this bill at this time. It is a very important measure. It is not a spectacular type of bill or one likely to arouse the same, shall I say, debate as that which we experienced on the previous measure. It has to do more with things than with human beings in one respect, or the operating of things rather than the action of human beings which was under discussion when we were dealing with the directors of the C.N.R.

On second reading of a bill we are supposed to discuss the principle of it. However, I find it extremely difficult indeed to decide what is the principle of a bill like this one. It is a bill of 41 sections. They are technical in some respects; they are interesting to me in other respects. But how you, Mr. Speaker, would decide whether or not I was departing from the principle of the bill, is more than I can understand or foresee. However, I trust that you, in your wisdom, will bring me back to the right course if I should go off on the wrong compass lead. I suppose one can only say that the principle of this bill is to provide for greater safety at sea in the operation of ships of all kinds and for more efficient administration of the shipping industry as applied to the Canada Shipping Act and its regulations.

We have not had this interesting measure in our hands for very long. In view of our many other duties under these circumstances, I am quite sure most of the members have not had the opportunity to study the sections of the bill. On briefly glancing over the measure I was particularly interested in the sections that applied to pleasure craft, as was

one of the other hon. members who spoke. I think some amendments are necessary with respect to the control of pleasure craft. They are increasing in numbers in our inland and minor waters and there is need for a greater degree of control for the safety of the public.

I was also interested in the section which deals with tugs and small vessels used in the fishing industry. There again, what a different situation we face today from that which existed a few years ago. As far as tugs are concerned in the minor inland waters of British Columbia, years ago you would find them powered by steam and much larger in size than they are at the present time. Now they are on the whole powered by diesel engines. Their hulls and their structure are smaller in size than that required for vessels powered by steam and at the same time they have much greater power. These changing conditions with respect to hull types and power—and I am speaking particularly of tugs—certainly necessitates some change in the regulations and in the act.

The same thing applies to the fishing industry in which I presume conditions have been changing. However, I have not the same direct knowledge of that aspect of the matter. Most of my fishing is done from a launch casting a fly and that sort of thing. I know that some of my friends to my left wish to speak. I know that one of my colleagues from Newfoundland is bursting to get to his feet and say something about fishing, while at the same time hoping that I will not stop too soon. I am sure he is very well informed. The members from the maritime provinces will also have a contribution to make to this debate.

However, Mr. Speaker, this bill in total represents amendments required to the shipping act because of the change in circumstances, not because of the omissions of governments in the past or because of failure of officials to make recommendations to governments for certain amendments. This bill reflects the changing conditions of water transport, whether it relates to passenger service, cargo service, boats engaged in fishing, tugs hauling forest products or forest equipment and supplies or pleasure craft. This bill reflects the changing circumstances under which we live. We will experience more of these amendments as the days go by with respect to other legislation.

However, I am glad to know that the bill is going to the committee on railways, canals and telegraph lines. I am sure that the committee will give it very careful study. At that time the committee will have the opportunity to seek information from the officials of the department. If the committee wishes it, it will have the opportunity to examine representatives of the shipping industry. They may have some information they wish to give to the committee and they may wish to express their opinions with respect to certain amendments to this legislation. I think it would be a good idea at this time to bring in representatives of the unions that are concerned with the shipping industry and some of the men that work on the boats in various sections of the shipping industry. I am quite sure that they would have some opinions to express with respect to this legislation, particularly as it applies to safety at sea, quarters for crew, space and things of that sort.

I note that it is now about 15 seconds before six o'clock so I think it is quite appropriate that I cease my remarks at this time in order to enable the hon. member from Newfoundland, who has a very extended speech to make on this matter, to recommence the debate at eight o'clock.

An hon. Member: You mean at 7.30.

Mr. Granger: May I call it six o'clock, Mr. Speaker?

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 7.30 p.m.

Mr. C. R. Granger (Grand Falls-White Bay-Labrador): There are several comments I should like to make with respect to the amendments to the Canada Shipping Act which is before the house, because, in fact, we are a maritime nation. Our traditions are largely maritime traditions and our long coastline, east, west and north, together with our great inland waterways make shipping of vital importance to all of us. Our fortunes depend in the final analysis on seaborne trade, and it has been thus ever since Canada began to be a nation.

The first settlers arrived by ship and depended upon ships for their supplies. The inland waterways became highways for exploration and arteries of trade. Today, although rail and air transportation are an essential means of moving people and goods it is ocean borne commerce which remains, nevertheless, the final arbiter of Canada's wealth.

Laws and regulations to govern the movement of ships have existed for many years and, like all laws, must be amended from time to time to keep abreast of events. The Canada Shipping Act is no exception. It is an important piece of legislation and it must be

reshaped from time to time to match the requirements of the day. The amendments in the bill before the house require careful study because of their importance. Hon. members who spoke before me have maintained that an analysis of the amendments might be better undertaken during the committee stage. This seems a sensible course to me, and when we do go into committee the clarification of certain points can be requested.

I feel, however, that I must make some reference now to the proposed amendments in so far as they affect fishing vessels. I notice in the bill a proposition that small fishing boats having internal combustion engines of more than ten nominal horsepower must carry a certificated engineer. I hope to be enlightened as to what the term "ten nominal horsepower" means and whether this proposed regulation will apply to small fishing craft. I shall not make further comment now, except to note that the minister mentioned in his opening statement that practical experience would be taken into account in awarding certification. At any rate, he seemed to use words to that effect and I was glad to hear him make that statement. I have no desire to make comparisons between the relative merits of technical training and practical experience, but I do consider it eminently desirable that practical experience be recognized. I should like to add that if every fishing boat which had an engine of 10-horsepower or more was required to have a professionally trained engineer most of our inshore fishing fleet would rot on the beaches. However, I do not think this is the interpretation meant to be placed on the amendment.

Mr. Browne (St. John's West): I wonder if I could help the hon. member. I believe ten nominal horsepower is equal to about 500 horsepower; there is a great difference.

Mr. Granger: I am glad to hear that, because obviously it would make all the difference in the world to the operation of the inshore fishing fleet.

Safety, of course, must be a prime consideration and no doubt the amendments proposed in this respect are in keeping with the requirements of the time.

I might also add that the shipping act today has a very wide application. Those who go down to the sea in ships for reasons of trade and commerce and those who buy, or sell, or use the freight they carry all have an interest in this present bill, but the ever growing number of those who go down to the sea in ships on week ends for pleasure have an interest, too, and the captain of the ocean liner and the outboard skipper have a common interest in what is contained in the Canada Shipping Act.

[Mr. Granger.]

In my own riding, ships and boats are of paramount importance. The skiffs that fish off the coast of northern Newfoundland and Labrador, the fishing schooners and the coastal vessels which carry supplies and collect fish are all of vital importance to the people who live along this long coast line. Naturally, amendments to the Canada Shipping Act are of serious interest to them.

Mr. Hubert Badanai (Fort William): Mr. Speaker, the amendments to the Canada Shipping Act, contained in this bill, are of considerable importance to the long coastline of the great lakes. It is generally conceded that the shipping act is the charter of traffic by water and, the lakehead being the world's largest grain shipping port, the requirements of the act are very important to that area.

Each hon. member of this house is, no doubt, in possession of briefs and submissions made on behalf of the St. Lawrence river pilots' association, and other organizations, urging the government to consider that, with the greatly increased traffic due to the establishment of the seaway, greater safety precautions are necessary.

It appears that the question of compulsory pilotage has already been settled by agreement with the United States. Nevertheless, a thorough investigation should be made of the points contained in representations made by responsible organizations.

This concern is also shared by the Canadian board of marine underwriters. I refer, of course, to the added hazard to shipping following the opening of the seaway. There have already been some accidents, although not extremely serious. Nevertheless, a thorough investigation should be made of the present regulations.

I welcome the amendments contained in this bill. In a brief prepared by the counsel of the united Montreal pilots, the Montreal harbour pilots, and the St. Lawrence-Kingston-Ottawa pilots' association, there appears a rather good description of a pilot, the understanding of which appears essential to the evaluation of the importance of pilotage and, with your permission, Mr. Speaker, I wish to read it. This description appears at page 153 of the proceedings of the standing committee on transport and communications of the other place, and reads as follows:

> A pilot is a seaman who is specialized in the deep knowledge of a small part of water as compared to the ocean or as opposed to the ocean. That seaman must know all the currents and counter-currents, the influences of the tide and of the wind, the rocks, the bars, the changes in the channel. It is also necessary that this seaman or navigator knows that eight days ago or one day ago that a buoy, which is the signal or indication of a danger, has been displaced as a result of an accident, and that it does not show exactly

the place where the ship may pass. You will easily understand, Mr. minister, that a captain however able and skilled he may be, if he comes from Great Britain or France, cannot have the knowledge of those diverse variations in the channel in the course of the past days or weeks. That is the role of the pilot.

The experts claim that the hazard to vessels using the seaway west from Montreal will be increased by a considerable percentage, as the traffic becomes heavier on the great lakes, especially to smaller vessels, or larger ships, because of the greater congestion, which in turn will mean that these vessels will be obliged to operate in confined waters for greater periods of time than heretofore.

The point made by Captain John Andrews, president of the great lakes pilotage association of Canada in its presentation to the standing committee on transport and communications of the other place, was that in the calendar year 1958, some 742 commercial vessels carried an aggregate of almost 3½ million tons of cargo. These vessels carried for the most part, great quantities of iron ore, coal, grain and other important commodities indispensable to the economy of Canada and the United States.

Mr. Speaker: Perhaps the hon. member would allow me to ask him whether the matter he is discussing is covered by this bill. I have looked through Bill No. C-98 but am unable to find any reference to pilots or pilotage, or the report to which the hon. member has referred. Perhaps the hon. member could indicate where the matter is referred to in the bill.

Mr. Badanai: Mr. Speaker, with deference to Your Honour, I submit that I am referring to the amendments which refer to pilotage, and I should like to suggest that the minister, during his presentation this afternoon, made direct reference to pilotage on the great lakes, hence I propose to deal with this subject very briefly.

Mr. Speaker: I have not made any ruling, but perhaps the hon. member could help me now by indicating the reference to pilotage in the bill. The hon. member will realize the difficulty I am in, because this bill amends a number of specific sections of the Canada Shipping Act and does not bring the whole shipping act under discussion. The only points relevant for discussion are those proposed to be dealt with in the amendments.

Mr. Badanai: Mr. Speaker, I understood I was privileged to mention those things to which the minister has referred.

Mr. Chevrier: Mr. Speaker, perhaps I could assist both yourself and the hon. member. This afternoon the minister made it quite clear that he intended to exempt from pilotage fees that new district, namely, that area extending from Cornwall to Kingston. In view of that indication surely the hon. member is entitled to refer to the area in which he resides.

Mr. Balcer: The area is from Cornwall to Montreal, as covered by clause 15.

Mr. Speaker: There was reference to compulsory pilot fees in that area from Cornwall to Montreal. However, the hon. member appears to be discussing pilotage problems generally on the great lakes, and perhaps he could confine himself to the specific ideas mentioned in the bill.

Mr. Chevrier: Mr. Speaker, there is a proposed amendment to the pilotage section of the act, and I feel the hon. member should be entitled to deal with pilotage in general.

Mr. Speaker: Would the hon. member indicate the clause of the bill in which this proposed amendment is contained.

Mr. Chevrier: It is part 6 of the act, and I am trying now to locate the clause of the bill.

Mr. Balcer: It is clause 15 of the bill.

Mr. Pallett: Clause 15 covers the proposed amendment in respect of pilotage.

Mr. Speaker: Perhaps the hon. member for Fort William will proceed, keeping in mind the limited scope of clause 15, and will then be in order.

Mr. Badanai: Thank you, Mr. Speaker. I wished merely to touch upon the question of pilotage because it is one to which the amendments contained in the bill appear to have reference.

In continuation of what I was saying—leaving out that subject to which you objected, sir—the crux of the question at the moment is, according to Canadian or United States law, vessels coming into the great lakes waters from outside do not require on board a pilot especially skilled in great lakes pilotage, and the organizations to which I referred are strongly objecting to the absence, in our laws, of a regulation requiring that experienced pilots in great lakes navigation are on board, and feel that this is a serious deficiency.

The great lakes pilots' association of Canada has the following to say, and I quote:

The paradox appears to be that on the one hand, we require a skilled pilot to navigate our ships. Yet, on the other hand, we do not impose such requirements on a pilot of a ship coming from the outside and even though he may be totally unfamiliar with our lake waters.

It can be argued that under the name of safety it might be easy to obtain approval of such a measure. Unfortunately, the matter presents some complications of a serious nature such as the danger of imposing an overhead expenditure by forcing the engagement of lake pilots on all foreign vessels all the way from Montreal to the lakehead. This additional cost could be sufficient to wreck the advantage of freight rate differentials and thereby defeat the very purpose for which the seaway was built.

I think that compromise may be effected in such a way that it would not be necessary to employ lake pilots for all the way but only at points where pilots are considered necessary. I assume the minister has that compromise in mind. There is also, of course, recourse to the regulations that captains or mates may qualify through an examination to prove knowledge of the lakes and their navigation rules.

There is also the matter of harbours which should not be overlooked. I understand that in order to enter any harbour in any country of the world it is compulsory for a ship to have a qualified pilot on board. When Canadian ships visit British and European ports they are required to take on pilots. Since the seaway was opened an increasing number of British foreign ships have come to our ports in the great lakes.

I can say that Thunder bay near Passage island and most of the way from Passage island to the harbours of Port Athur and Fort William, a distance of 40 miles, are dangerous and require skilled navigation.

There are, of course, changes contemplated in the bill which are timely and if I may I should like to point out some observations made by the shipping federation of Canada in a brief entitled "St. Lawrence River Pilots". I quote:

1. Efficient pilotage, having as its primary objective the rendering of navigational assistance as may be required by vessels of all types and subject to the direction and requirements of each vessel's command.

2. Recognition that pilotage is essentially a voluntarily acceptable service at the discretion of ships' command.

3. Revival of a sense of responsibility and pride in the pilotage service.

4. Recognition that pilots are not labour or subject to collective bargaining regulations; re-establishment of the prestige which should be associated with this position.

5. The institution of a proper and effective authority for the discipline of pilots of no lesser standard of professional conduct than that normally expected of ships' officers.

6. Negotiations between pilots and shipping interests to establish mutually satisfactory annual remuneration, subject to final approval by the pilotage authority.

[Mr. Badanai.]

7. Direct agreement between pilotage authority and shipping interests only, in establishing tariffs required to provide sufficient revenues to implement No. 6.

8. An efficient and effective system of selecting and training pilots.

In the opinion of the federation these objectives are the serious concern of the entire Canadian economy as well as the shipping industry. It is because of this conviction that the federation has again asked the hon. minister of transport to establish some form of inquiry into the pilotage situation in the hope and belief that such an inquiry will lead quickly to necessary corrective measures.

The bill contains references to tonnage. In fact, there is a considerable amount of misunderstanding with regard to tonnage. I should like, with your permission, sir, to have a document explaining the meaning of tonnage printed in *Hansard* at this place in order to save the time of reading it.

Mr. Speaker: The hon. member for Fort William proposes that a paper which he has in his hand explaining the technicalities of tonnage be printed in *Hansard*, I take it, as part of his address.

Mr. Balcer: Would the hon. member be kind enough to identify this document and tell us where he got the information it contains?

Mr. Badanai: It is from the Canadian shipbuilding and ship repairing association. I think it should be printed in *Hansard* because the general public does not know about it.

Mr. Balcer: I have no objection.

Mr. Speaker: It requires unanimous consent. Does the house agree that the hon. member shall have leave to incorporate the document in his speech?

Some hon. Members: Agreed.

[*Editor's Note: The document above referred to follows:*]

What is Tonnage

How often when speaking about a ship does someone ask "What tonnage is she"—and how seldom is the reply really completely understood!

"Tonnage" does not always imply "weight"—it sometimes means "capacity".

There are four principal ways of describing the tonnage of any ship and brief descriptions of these methods follow:

Displacement is the tonnage used to describe all warships—it represents the total weight in tons of all the ship and its contents—it is called "displacement" because it is based upon the Archimedean principle that a floating body displaces an amount of water which is the same weight as the body itself.

Deadweight is the tonnage commonly used to describe the size of cargo ships—it represents the total carrying capacity of the ship in tons, including cargo, fuel, fresh water, stores, etc.

Gross registered tonnage is the tonnage usually used to describe passenger vessels—it represents the total internal cubic capacity of the ship, including accommodation spaces, each 100 cubic feet of which is "one ton" (ton of capacity).

This method of measurement goes back to the days when the size of a ship was judged by the number of barrels or "tuns" of wine it could carry—"tunnage" has now become "tonnage".

Gross tonnage is used as a basis for many marine rules and regulations and for assessing drydock dues, etc. It is also used for assessing St. Lawrence Seaway ship tolls (in addition to the ship toll, there is a toll on actual cargo carried).

Net registered tonnage is the gross tonnage minus certain deductible spaces which do not produce revenue, principally spaces occupied by crew, propelling machinery and fuel.

It is intended to be an indication of the earning capacity of a ship and as such is often used as a basis for canal tolls, harbour dues, dockage fees, etc.

An indication of the wide variety of "tonnages" which can apply to any ship is readily understood from the following figures, each of which relates to a typical 10,000 ton deadweight cargo vessel:

Displacement tonnage	14,000
Deadweight tonnage	10,000
Gross tonnage	7,000
Net tonnage	4,800

Newsletter No. 4 April, 1961

Canadian Shipbuilding and Ship Repairing Association

Ottawa, Canada

Mr. Badanai: I shall conclude by saying that the advent of the St. Lawrence seaway points to a traffic rush in 1961 through a 1,250 mile lane from Montreal to the lakehead, which is becoming a highway of commerce. While it would be too costly and perhaps impractical to keep the St. Lawrence seaway open all year, it would help if additional icebreakers were to be used at strategic points on the St. Lawrence—

Mr. Speaker: I am sorry to interrupt, but the hon. member is departing from this bill. It has nothing to do with icebreakers, and other members may wish to speak to the point. Is the hon. member finished?

Mr. Badanai: I want to conclude my few remarks with this suggestion. I think it would be a wonderful thing if we could devise some ways and means of keeping the St. Lawrence open longer.

Hon. Lionel Chevrier (Laurier): Mr. Speaker, there are just a few brief remarks that I should like to make. First I should like to say that the Canada Shipping Act is a complicated piece of legislation. It contains several hundred sections and many schedules comprising agreements made between Canada and other countries, which have been appended to the act. It is a document which is of extreme importance to all Canadians, particularly those who live on our coasts and around our inland waters. It is complicated because it is divided into many parts. There are parts dealing with the recording of vessels, with the certification of officers, with seamen, with repatriation of distressed seamen, with sick mariners, with pilotage, with the safety of life at sea, with wrecks and salvage, with public harbours, port wardens, limitation of liabilities, the coasting trade, delivery of goods, legal proceedings and, as I said, the international load line and the safety of life at sea.

It is unfortunate that various ministers, including those of the previous administration as well as those of the present administration, have seen fit to introduce substantial amendments to this act from time to time. These are amendments that have to be made, of course, but I say it is unfortunate in this sense. While I occupied the position now held by the minister I believe I brought in three amending bills and my successor, the Hon. Mr. Marler brought in one, if not more. The predecessor of the minister brought in several, one in particular having to do with pilotage, and now the minister brings in a very long series of amendments to the act.

It seems to me there is another method of dealing with a matter of this importance. The Canada Shipping Act admittedly is outdated and that is why all these amendments have had to be brought in by the former administration and by the present one. I think consideration might well be given to this suggestion for the future. Would it not be much better to appoint a commission to look into the act and recommend to the government amendments which might be made from time to time? I realize this would not answer the purpose fully because, as the minister said, on account of international agreements that are made, on account of technical changes in our country, it becomes necessary to make amendments. I repeat, however, that it is unfortunate that because of all these amendments there is not on the statutes and in the department an act that will give a true and accurate picture of the situation concerning shipping in Canada.

I have with me an office copy of the Canada Shipping Act. It contains at least seven or eight amendments that have been added to the original act. In order to find out what the law is on one particular section, one not only has to look at the original act but to go through all these amendments to which I have referred. I am sure the minister will realize at once that I am not pointing a finger at him. I am simply emphasizing the point that this is a matter which might well be given consideration in the future.

There is one other matter to which I should like to refer having to do with a speech made on television on Saturday night by the minister's colleague, the Secretary of State (Mr. Dorion). I presume the speech normally would have been delivered by the

Minister of Transport but because he was busy in the house all day Saturday he asked his colleague to deliver it. The speech dealt almost entirely with the new policy of the government on shipping and I bring it before the house because the part to which I now wish to refer has to do with the coasting trade.

The minister said earlier that while this act has nothing to do with coastal trade, nevertheless the definition contained in the act of inland waters of Canada would also be used with reference to coastal trade in connection with the announcement he made earlier concerning the amendment to the commonwealth merchant shipping agreement. Section 2, subsection 41, of the act limits the coasting trade to an area extending from a point opposite Anticosti island to the head of the great lakes or, to be more accurate, a line extending from cap des Rosiers to west point, Anticosti island and thence to the north shore of the river St. Lawrence along the meridian of longitude 63 degrees west to the head of the lakes. From that point upstream cabotage or coasting trade will be permitted. From that point downstream British and commonwealth vessels will be able to operate in the coastal trade of Canada.

That raises a point in connection with the speech I mentioned and also another point with which I should like to deal first. In his speech on television the Secretary of State affirmed quite categorically that this new proposal would protect inland navigation. The point that came to my mind when I listened to the speech and read it was this, and perhaps the minister can help in this respect. What will be the effect of the new policy on British ships owned by Canadians or, to put it the other way, on Canadian owners of ships flying the British flag? As the minister knows, there are approximately 25 of these ships.

Mr. Balcer: On a point of order, Mr. Speaker, I do not think these remarks of my hon. friend are relevant to the bill before the house at the present time. I quite agree with him that the inland waters have to be restricted from now on but actually that is not what we are discussing today. What the hon. member is raising is a matter that will be dealt with under the regulations I announced recently. Those regulations have to be passed by the cabinet and will come into force at that time. I do not think it is proper to discuss this matter now.

Mr. Chevrier: Mr. Speaker, I would not have discussed it if the minister had not indicated at the outset that the definition of inland waters of Canada will be the same as that which will apply in the new regulations. If perchance I am precluded from discussing it under subsection 41, I am certainly entitled to discuss it under subsection 38 because many of these ships will be plying not only on the Atlantic ocean but also on home-trade voyages. So it would seem to me that under a combination of these two heads the matter is relevant. I do not want to insist on the point but I should like to ask the minister a question if he will allow me. There are some 25 ships owned by Canadians and flying the British flag. What will be the effect of this policy on those ships? Will they come back and operate in the coasting trade or will it be found cheaper to operate them under the British flag? As the minister knows, the policy he has announced has to do with construction and has nothing to do with operation, and that really is the point—

Mr. Speaker: Order. If I may interrupt the hon. member for Laurier, I would say that if there is a clause of this amending bill relating to a matter which permits the question he wishes to ask, then I suggest he ask it in committee when the appropriate clause is reached. It seems to me that in discussing the policy announced the other day with respect to coastal trading, I believe it is, the hon. member is discussing something which is not, in itself, the subject matter of any clause of this bill. There may be a clause of this bill defining inland waters, for example, which, if it changed the area of inland waters, would have an indirect effect on the larger policy to which he wishes to refer.

However, it does not seem to me that would open up this whole field for discussion. I suggest he keep that matter for the appropriate occasion.

Mr. Chevrier: Your Honour knows I would be the last to disagree with a ruling of the Chair. However, I wonder if Your Honour would not look a little more carefully at subsections 38 and 41 referred to in clause 1? It seems to me that, since we are discussing home-trade voyages and inland water voyages, that, coupled with the statement which the minister made to the effect that the definition of inland waters would be the same as that concerning the coasting trade which he will bring down later on, I was quite within my rights and quite in order in discussing the coasting trade under subsection 41 because it deals with that. As a matter of fact, it is an amendment to that part of the act having to do with the coasting trade. However, if Your Honour sees it otherwise, I will not pursue the matter.

Mr. Speaker: With all due respect to the hon. member, I feel that these minor amendments to the definitions do not really open up matters of policy to which he has referred.

Mr. Chevrier: Then if I may continue with another matter which falls squarely within the terms of this bill, I should like to refer to the speech made by the Secretary of State (Mr. Dorion) on Saturday night, in which he made this rather amazing statement:

(Translation):

In addition, Canada will now exercise its control over security conditions and the qualifications and salary of seamen within our inland waters. This will be advantageous to our own labour force.

(Text):

The question which arises in connection with that statement is that all of those things mentioned in the paragraph which I have put on the record are covered now in the Canada Shipping Act. The matters of salary, wages, working conditions, and the like, having to do with seamen are covered in part III of the Canada Shipping Act which deals exclusively with seamen and their welfare. There is a part which deals with distressed seamen and sick mariners. I fail to see how the statement made by the colleague of the Minister of Transport (Mr. Balcer) is not entirely covered by the part of the Canada Shipping Act to which I have referred, and has nothing whatever to do with the policy announced earlier by the minister. I hope the minister will be able to clear up this point for me when he concludes the debate.

I am pleased to note that this measure will be referred to the committee on railways, canals and telegraph lines so that it can get from the officers of his department and those of us who sit on the committee, careful consideration and study.

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

Mr. Chevrier: May I ask the minister if he would deal with the last part of my remarks?

Mr. Speaker: I must inform the house that if the minister speaks now he will close the debate.

Hon. Leon Balcer (Minister of Transport): Unfortunately, Mr. Speaker, I have not seen the report of the speech delivered by my colleague nor have I read extracts from that speech. If I understand the hon. member for Laurier (Mr. Chevrier), a reference was made to certain advantages that this new policy of the government will have in so far as the regulation of matters like salaries and certificates is concerned. The hon. member for Laurier says that these matters are covered by the Canada Shipping Act as it exists at the moment. I do not want to quarrel with my hon. friend. There is no doubt about it, the Canada Shipping Act has very definite rules about these matters.

However, I would simply say to my hon. friend that he should direct his questions to the Secretary of State who made that statement. I am not the originator of the statement. I did not hear the speech, and I would not like to comment on that statement at the moment.

Motion agreed to, bill read the second time and referred to the standing committee on railways, canals and telegraph lines.

AGRICULTURE

PROVISION FOR AGREEMENTS RESPECTING MARGINAL LANDS, RURAL EMPLOYMENT OPPORTUNITIES, ETC.

The house resumed from Saturday, May 6, consideration of the motion of Mr. Hamilton (Qu'Appelle) for the second reading of Bill No. C-77, to provide for the rehabilitation of agricultural lands and the development of rural areas in Canada.

Mr. Speaker: May I inform the house that if the minister speaks now, he will close the debate.

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, the various speeches made by members on this A.R.D.A. bill have added considerably, I believe, to the general knowledge of the purposes and principles of this legislation across the country. I do not know how many members spoke on this measure, but I do know from a reading of the press across Canada that there has been a considerable interest in each of the localities whose member put forward their point of view in connection with this bill.

I was particularly pleased when the hon. member for Carleton (Mr. Bell) mentioned the contribution of the late Dr. Blair from Lanark because if someone had not mentioned his contribution I had intended to do so. In my last remarks to the house, I mentioned that one of my purposes in delaying the passage of the bill until the month of May was to give me an opportunity to discuss, formally and informally with the provinces and farm organizations, the various points of view with regard to the proposed legislation and the various types of activity that could be carried out under its terms.

I am now able to report to the house that I have had formal consultations with eight of the provincial governments and several farm organizations, including the Canadian Federation of Agriculture. The sum total of these discussions, in broad outline, is that the organizations believe, in the main, the terms of the bill are broad enough to cover the various ideas they have in mind. Some of the organizations did discuss slight amendments, but after discussion agreed that the

terms of the bill were broad enough to cover the purposes that they had included in their representations.

I also discussed with the provinces several steps that could be taken in each of their areas to raise farm income and give increased opportunity to the farmers in their respective provinces. We discussed with the provinces several types of programs that might apply not only within their provinces but across several provinces. I think it is well to report that in most cases the various departments affected in each of the provinces have in many cases gone ahead with their plans even before the bill has become statutory law. They recognize the importance of this legislation to that segment of the farm population which has been overlooked in the legislation affecting agriculture in the years gone by.

I also discussed with the provinces several facts and I have consulted with several of the academic leaders of our country, the deans of agriculture of several of our leading agricultural colleges, and have outlined to them the purposes of the bill and asked if they would submit ideas to me. Some of them have been very good in sending in lists of ideas and, together with the ideas, a statement concerning the principle that should be followed in the implementation of the bill.

Before I go into the principle of the bill I think I should take a few minutes in which to answer some of the statements made in the house in condemnation of the bill. The particular remarks to which I refer were made by the leader of the C.C.F. party. His comments were made on the second reading of the bill when he spoke a week ago Saturday. He said that the bill does not state what the act will do. He also said it does not say what the financial contributions will be. This is true, Mr. Speaker, because no one in the provinces or in the farm organizations or at the federal level knows yet what the bill will bring forth and the extent to which we are going to use this bill. The thing that has impressed me is the tremendous variety of ideas that have been put forward by the provincial ministers and by farm organizations of the things that they think are worth while and would benefit not only particular areas but the whole country.

Another point made by the hon. member for Assiniboia was that he was not so confident that the government would push this legislation forward. In a derogatory way he referred to previous legislation passed by this government and said there was a great fanfare and that nothing was done. I should like to remind the house that this particular bill is part of a national agricultural policy which was announced in the house on August 30, 1958. The hon. member for Assiniboia said that this bill was a deathbed repentance of the government, or words to that effect, and that we were duplicating the example of the P.F.R.A. legislation in 1935, bringing it in at the last minute. I should like to remind the members of the house that this particular bill was announced as one of the points of the national agricultural program on August 30, 1958; that the government has systematically each year brought in legislation under that program, and that this is just one part of that total program. This type of criticism in the face of the general acceptance of this legislation across the whole country and in the face of the enthusiastic reaction to this bill by leaders in farm thought who for generations have tried to get governments to accept something along this line I think disposes very quickly of the argument of the hon. member for Assiniboia.

A great deal of to-do was raised by the hon. member for Assiniboia about the pamphlet which was published by the department as part of the explanatory program to farm organizations and to the various provincial ministers. I think what has been overlooked in the description of this pamphlet as being an insult to parliament is this. If you look at the wording of item No. 4 in the orders of the day, you will find it reads in this way:

> Resuming debate on the motion of the Minister of Agriculture for the second reading of Bill C-77, an act to provide for the rehabilitation of agricultural lands and the development of rural areas in Canada.

I think the whole argument collapses on the simple ground that this pamphlet about which there has been so much discussion uses the word "act" as it is used in the order paper and therefore is absolutely correct parliamentary usage. If hon. members look at the pamphlet, as I know they all have done, they will note that it states:

> On December 15, 1960, the Minister of Agriculture introduced to the House of Commons a resolution concerned with improving the economic position of our farmers. The resolution introduces the Agricultural Rehabilitation and Development Act (A.R.D.A. for short). This legislation will enable the government to enter into agreements—

The future tense is used throughout. The point that I have made is that by every definition, legal and common sense, this pamphlet is correct. It was a very essential part in the education of the public with regard to what this bill could do for Canada because, without the full and enthusiastic support not only of governments but of farm organizations, as well as of business people and professional people in this country, there would be no purpose in going ahead with

this bill. Essentially, it is based on the premise that there will be co-operation between all these groups.

Finally, Mr. Speaker, as to the remarks made by the hon. member for Assiniboia, he said this act should be entitled an act to replace the Prairie Farm Rehabilitation Act. He then went on to take to his bosom the Liberal party and said that they had done so much for conservation. As he made that speech we in the house all thought that he was assuming that the present leader of the Liberal party was not going to remain their leader forever; and that he was assuming that if he lost out with the New party candidature he would be in a position to move right into the soon to be vacated leadership of the Liberal party.

Mr. Fisher: Shame.

Mr. Hamilton (Qu'Appelle): Therefore, in conclusion, having regard to the remarks of the hon. member for Assiniboia, I should just like to compare what he said on the resolution stage with what he said on second reading. I remember the thunder rolling through this house on the resolution stage when he said this bill was no good; that it was a sideshow with which to amuse the public; that what this government should do is face up to the fundamental facts facing agriculture and that the fundamental facts facing agriculture were the sale of wheat. As reported at page 1414 of *Hansard* he said this:

> The minister said he was going to raise his sights with respect to getting markets for Canadian wheat. When he did so he got his sights up to a mark 20 million bushels lower than the accomplishment of the former minister of trade and commerce. This inability of the Minister of Agriculture to dispose of the surplus agricultural commodities in the world today condemns the government's over-all agricultural policy.

That was on January 25, 1961. The hon. member condemned this bill because it did not do anything to sell agricultural products and said that the government's agricultural policy had failed completely because we had not sold wheat. Later he came back to the house. He had been visiting out west. I do not know what kind of terror ran up his spine, but when he heard the comments of the farmers and when he read the editorials in the western press—Liberal, Social Credit and C.C.F.—and when he heard the remarks of the farm leaders, he raced back to Ottawa in order to try to cast doubt on the fact that we had sold a quantity of grain. He therefore, had to make up a new speech for second reading. What he said this time was that the bill was no good because it was going to abolish P.F.R.A.

This bill in its third set of principles is simply applying to all Canada the principles of P.F.R.A. How long have the members from British Columbia asked in this house for some form of physical rehabilitation to the river valleys, land that has to be drained, land that has to be dammed up to give water to land which could become fertile where producers are in mortal competition with those who are using water for irrigation to the south of the line and with whom the British Columbia farmer has been unable to compete fairly? How long have we heard the people of the maritimes asking for something broader than the Maritime Marshland Rehabilitation Act? Anyone who drives through the Atlantic areas of this country and sees area after area which could be brought up to new levels of prosperity, thereby adding to farm income and community life by a simple application of the a.b.c.'s of the use of water will realize how necessary this new bill is.

I might mention in passing that we do have the Canada Water Conservation Act. This act was passed in 1953, as the hon. member for Bonavista-Twillingate was careful to point out the other day in the house. What he did not point out was how many areas, how many provinces, have used this legislation which was passed in 1953. If one compares the amount of use of the Canada Water Conservation Act of 1953, making a comparison between the years 1953-1957 and 1957-1961 he will soon recognize that this was almost empty legislation as far as the Liberals were concerned. The first government to make real use of this legislation was the present administration. The tragedy is that the only province which has used it to date is the province of Ontario. Now we have legislation based on different principles, including the principles of the Canada Water Conservation Act, which will apply to all parts of Canada and at long last the unity of this country has moved a step forward in the conservation field because we are making one law for all Canadians and not one law for just part of Canada.

I hope in the days ahead to have fruitful discussions with the provincial ministers of every province in this country to lay down, I hope in this year 1961, a minimum of at least one tentative agreement in each province for at least one pilot area and, I hope, several in each province. The preliminary discussions I have had with the four western ministers indicate they have a list of projects they would like to put forward. Some of them have already been mentioned but others will be new to the members of the house.

I should like to mention in passing that the idea, the philosophy of this new act, is to build up income and not to push farmers off the land. An example of the type of thinking you have in the House of

Commons sometimes—but you do not find the difficulty outside—follows from the suggestion which many wildlife people have been making for a generation, namely, that there should be more migratory birds on the North American continent. This suggestion made by the wildlife people for as long as I can remember has always been turned down because of the fact that this wildlife was subsidized by farmers who had land around the various water holes which the ducks and geese use on their flights north and south. Here you have a clash. The wildlife people, advocating something that 20 million families in Canada desperately want, that is, more wildlife in the form of wild fowl or animals, are stymied by the fact that this increase in wildlife will be at the expense of the farmer whose income has not been growing in the same way that the income of other sections of the economy has been increasing.

As part of this general type of thinking, when I was in the United States I was made aware that the government there was planning an extensive move to take over much of the so-called wet lands in the United States to build up the wildlife population there. Their experts have made it clear to the government officials that the only way to do this properly was to spend most of the money in Canada. I made it clear on behalf of Canadian farmers that we would have to resist this move in Canada unless the bulk of this money went into the hands of the people who were providing the necessary ingredients for building up a wildlife population, namely the farmer. This argument was agreed to informally by the members of the United States government.

One of the items we discussed during the recent negotiations between the resource ministers of the two countries, the secretary for agriculture and myself was this question of how we could reconcile the needs of these two large segments of the population of our two countries and give an increase to the total wealth of this continent. Without going into all the details it was decided that we should set up a joint committee to examine the legal difficulties which lie in the way of having a joint operation between our two countries. It was decided that we should bring into this discussion the point of view of the farmers and the resource people to see if it would not be possible to take advantage of the large sums of money which are available from the supporters of wildlife, because it is those engaged in agriculture who are going to provide the food and shelter for these birds.

When I mention in this house that in North America approximately 70 per cent of the wild ducks are bred in the provinces of Manitoba, Saskatchewan and Alberta some hon. members may be surprised. These birds fly south along flyways to the gulf of Mexico and certain parts of the coasts of California and Florida. There is a real opportunity here to increase the income of farmers in the so-called pothole area of western Canada. In terms of square miles, 220,000 square miles of western Canada is so-called pothole country. If you take just the area of the potholes it is 2½ million acres.

The great majority of farmers have looked on potholes as a nuisance and as a limiting factor in farming their land. If we can make these potholes an asset by having the sportsmen of this continent who want more ducks pay for these potholes and the grass around them and the grain planted to feed the ducks, what was once a liability to the farmers of western Canada could become an asset. These birds, as every biologist can confirm, are discriminatory feeders. If you plant a field of barley, wheat will not be touched by them. If you plant six-row barley, they will not eat that; they will just eat the two-row barley. Some birds like geese prefer corn to barley or wheat. Every biologist has known that for years.

No matter how silly some members of the opposition and some people across Canada think this idea is, the fact is that if you can add tens of millions of dollars a year to the income of farmers who have potholes—I do not care what these people think about this type of program—as long as you are increasing farm income you are achieving the results this bill was designed to achieve. I might mention, too, that I have discussed this matter with ministers of agriculture and resource ministers and they do not find it a silly idea. As a matter of fact, other provinces in addition to the prairie provinces have been taking an interest in this and wondering what can be done. There are three or four hundred thousand acres in the eastern provinces, I believe, which are amenable to this type of arrangement.

But that relates to just one of the hundreds of ideas in this bill to increase farm income and farm production. I shall not go into all the details of industrial development which is the part under rural development which intrigues most people.

It gave me great pleasure recently to go to Smith's Falls, in the county of Lanark, to preside at the opening of a new chocolate plant. That plant will cost some $7 million when completed, and will employ 200 or 300 people. It will utilize the milk of 1,000 good dairy cows. This is a perfect example of the increase in farm income opportunities in that

area, and the increase in the community income opportunities as a result of decentralization of an industry. This not only facilitates the income of the country but gives tangible help to the people in the rural areas. It is not an accident that, in many areas of the United Kingdom and the United States, where government legislation has provided this advantage to areas designated depressed, there has been an increase in the number of decentralized industries in these areas with resultant benefit, not only to the immediate areas, but to the whole country.

As my time is short, I should like now to give, to those who are serious students of conservation, some of the principles which will be followed in setting up this legislation. I am going to take the opportunity of outlining them in point form.

1. While the program is focused mainly on farm people, it cannot be exclusively agricultural. Rural economies are no longer separate from town or urban economies, and the program must be one of area development embracing local centres of population as well as the farms surrounding them.

2. The program should be regarded and accepted as long run rather than short run since many of the problems to be encountered are structural rather than either cyclical or transitory.

3. The program should have two levels—a regional or local level; that is a local level within that region under the all-embracing framework of the national joint provincial-federal committee. Planning and action must be primarily local; the kind of action taken will depend on local resources and conditions.

While success depends upon local leadership, a national program directorate is essential for research, assistance in selecting personnel, and financing co-ordination of plans of various local programs, and to record and make available the experience of local programs to other local areas. The leadership must be primarily under the control of the provincial-federal directorate.

4. The co-operation of provincial governments, universities, farm organizations, and other bodies, is essential, but it is important that the national program directorate take the lead in co-ordinating any activities of these bodies. It would be undesirable to have several unco-ordinated programs proceeding simultaneously and in isolation, under provincial, university or other leadership. The national directorate should maintain the position of leadership in all activities which are not local.

5. The program may at times be closely related to other federal programs such as the Prairie Farm Rehabilitation Act, the Maritime Marshland Rehabilitation Act and the farm credit corporation, as well as, of course, to provincial extension and educational programs.

6. It must be recognized at the outset that the problems of marginal areas and of programs developed to relieve these problems will be social as much as economic, political or technological. This in itself makes it essential to regard the program as a long run one, and to recognize the difficulties which it will encounter.

Those six principles outline the relative stages of control and direction which must be included in an attempt to extend this act successfully.

(1) The action on this program will consist initially of the identification of marginal regions and of local development areas. This involves several important steps. (a) First, the selection of criteria by which we identify these regional redevelopment areas. I might add, in passing, that the best criterion we have is the income level of the areas.

(b) The second criterion is the regional redevelopment areas which will normally not coincide with local development areas, as the regions can be identified only on the basis of municipal statistics, whereas the local development areas will probably be smaller and based primarily upon local trade areas such as watersheds and perhaps municipal units. (c) The third criterion is that local areas have an optimum size—if too small, the resource base is likely to be inadequate; if too large, the problems of local leadership and organization would be excessive. That means in plain English that in some cases you will have several communities in the regional area, but within these several communities you will probably have several local development areas.

(2) The second action on the program will be the selection of a limited number of local development areas, attempting to choose those which could provide an example to later programs in somewhat similar areas.

(3) The third step in the action program would be the appointing of a field man from the national directorate who must attempt to stimulate interest by leaders in the local development area and to act only as their adviser, not leader. The transfer of initiative and leadership from a non-local to a local basis is difficult but very important, and must be achieved at a very early stage. Of course, a local development committee probably would consist of representatives of various farm organizations and boards of trade, churches, and so on.

(4) The fourth step would involve the duties of the local development committee. The duties I have listed are: (a) to delineate the local development area; (b) to discuss

the goals for the area development program; (c) to organize a survey of resources in the area.

To digress for a moment, we have worked out the various types of criteria that should be followed in working out these surveys of resources.

To go on, (d), to request research in respect of possible methods of improving incomes. This information would be mostly for the guidance of the central group.

(5) The fifth step would be for each local development area to appoint an advisory committee consisting of research workers in the provincial universities, provincial government and perhaps other research institutions. This committee would discuss research projects with the local development committee, and help to appraise the results and implications of such projects for the local committee. It is very important that the extension people of the provincial governments be members of this advisory committee in order to have their support, because extension has been traditionally under the provincial government.

(6) The sixth step would be action by the local development committee which might take many forms, some of which will involve assistance at the national level, while others may be purely local. (a) I do not think I need to go into all of these, but we certainly should include action by the local development committee and special assistance by the provincial extension officers, directed toward those farmers who are expanding and intensifying their efforts. These men should be trained in farm management and work only with those farmers and farming areas which have a chance for success. (b) They should also set up their publicity and advice on the production of new forms of products from the land in the areas. (c) The third step which ought to be included is the development of local recreational areas and social services. (d) The fourth step would involve special educational facilities for off farm employment to stimulate interest in the farming areas. This report outlines several other courses to be followed by the committee.

I should like to conclude the outline of these principles regarding action under the program by saying that much of the preliminary work will be in the form of research. As I said, the bill will cover this in the clause which provides the power for the federal government to go into research programs either alone or in co-operation with the government of any province or any agency thereof on any type of program that is possible.

[Mr. Hamilton (Qu'Appelle).]

I should like to emphasize the fact that the importance of research has been well demonstrated in those areas which have gone ahead, such as the city of Brandon in its particular program, the study of the eastern 10 counties of Ontario, the study of the clay belt area in northern Ontario, and the particular work which has been done in the province of Nova Scotia. All these programs with which the provincial governments have proceeded on their own have pointed out ways which will save many hours of effort over programs which are started without any preliminary research. Those who are experts in the field say that the usual technique is to work toward a land use map as a starting place for a program in the area.

I should like to discuss with the house a couple of points which have not been mentioned in debate, which will require the best thinking of provincial, county and federal government officials in working out the program. As a matter of fact, Mr. Speaker, I had expected that this matter would be raised in the house by various hon. members because, as I have gone up and down the country discussing this program with government officials and farm organizations, over and over again I heard this recurring theme: This program is a good one but what will be the effect on the assessment and the taxes in our municipality, our county or whatever form of local organization it is. The people who come from the Fraser river valley of British Columbia have a most striking example of this, probably the most striking of any outside of the Niagara area in Ontario. There you have the value of farm lands increasing at a tremendous rate without any relationship to the value of agricultural production of those farm lands because the value of the land is based on the expectation of an eventual urban development. This has forced the owners of those lands either to sell them for industrial or residential use or to put them into a type of production which is very intensive in order to pay the taxes which are assessed against this property by reason of the high assessment.

Even in New Brunswick we find that in our efforts to look into the possibility of expanding the cattle industry down there, the high assessment on the land based on the expectation of future value is such that the cattle industry cannot afford to go in there. Therefore, it seems logical that one of the first steps to be taken at the provincial level, which has control of property and civil rights, is to give serious consideration, once they have discovered by land use maps their best agricultural land—and this information is available in most provinces that have mapped in

that way—to setting up a system of zoning land and then saying that land which is classified as grade A agricultural land by statute can never be used for anything else but agricultural land. Then the second zone would probably be land which can only be taken away from agriculture by an order in council of the provincial government. Grade C land and land of lesser grades could be used as one saw fit to use it. If this zoning is followed by a basis of assessment, not on the expected development value of that land for purposes other than agriculture but as potential agricultural production on that land, then you could work out a fair assessment and a fair tax basis to give you the possibility of protecting that farm land in the future.

The second feature of this question of taxes and assessment is that some counties would willingly support an intensive A.R.D.A. program in their counties but they would likely want to know the answer to this question: "If you take too much land out of this county for some purpose such as a community pasture or a county forest farm, then what assessment do you leave us to carry on our services?" Therefore when we are discussing these matters with the provincial government we shall have to keep in mind the legitimate needs of the county or of the local forms of government which I think we all admit are the basic organizations in a strong democracy.

I raise these points because they have not been discussed in the debate so far and I should like to give assurance to those people across the country who have talked to me about this problem that it is definitely in our minds.

Another point I should like to raise briefly is the question of financing. In the conversations with the various provincial ministers we have discussed projects which would be financed 50-50. We have discussed projects which would be financed on the basis of the Canada Water Conservation Act, 37½ per cent-37½ per cent-25 per cent, the 25 per cent to be paid by the local municipality. We have discussed certain types of projects where the provincial government might put up the capital and the federal government the operating costs, or the reverse, the provincial government to put up the capital costs and we assume the operating costs. We have discussed those projects which naturally we both lean toward and which are completely self-liquidating. If the money were advanced they could be paid for quite easily by those who are going to benefit from the legislation. We have discussed those projects which are partly self-liquidating, and this includes many of the projects. Other projects include certain types of operations where no money at all is required by the federal or provincial governments but where local initiative goes out and provides the money. We have had several examples of that in the province of Manitoba in the last two years.

In conclusion, I should like to point out—

Mr. Chevrier: This is the second time.

Mr. Hamilton (Qu'Appelle): —once again, as I did at the resolution stage, that in Canada we are faced—and this is true of other countries of the world—with a situation where the rising pace of technology in agriculture is giving farmers the ability to produce food and fibre faster than populations are rising. If we look at our needs in the next 15 to 40 years and allow generously for export possibilities to help the nations which are underdeveloped and the nations which are developing agricultural industries, even with all these things considered, necessity compels us to state the essential conclusion that with this rapid pace of technology we have overcapacity in the western world for certain and are rapidly coming to that position in the rest of the world.

Mr. Speaker: I am sorry to interrupt the minister but I must inform him that his time has expired unless by leave of the house—

Mr. Chevrier: The minister has concluded twice already. I have no objection if he wishes to conclude the third time.

Mr. Speaker: Has the minister leave to continue for two minutes?

Some hon. Members: Agreed.

Mr. Pickersgill: Conclude briefly.

Mr. Hamilton (Qu'Appelle): With this in mind, Mr. Speaker, a whole series of actions must be taken, not only in Canada but in other countries to adjust agriculture to this new situation. This is the reverse of the principle on which most of us have been raised and taught and I think honestly it must be faced.

The second principle is that in our countries a large proportion of the land now in agriculture does not produce sufficient income to give farmers on that land a good living; they produce just enough to bring about a surplus which holds back the farmer who has a better chance on better land.

The last thing I wish to mention is that the key to the success of this whole A.R.D.A. program is based on one word—"education". By education I mean not only education of the farmers but education of the people in the cities as well. Education means vocational training. It means an attitude of mind that has to be developed if this program is going to be successful. I think each one of us, and

I know each one is going to support this legislation, can be proud of the fact that we are members of the house at the time when this legislation is being put on the statute books.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Flynn in the chair.

On clause 1—*Short title.*

Mr. Martin (Essex East): Mr. Chairman, now that we have the bill I think certain observations of a general character should be made, particularly in the light of the speech by the minister to which we have just listened. The bill bears examination, especially in the light of the claims made by the minister.

One would think from what the minister has said tonight and what he has been saying throughout the country since this measure first came forward that the government was embarking on a program that would in effect have immediate application. The first clause in the preamble to the bill reads as follows:

> Whereas agriculture in Canada is undergoing technological changes that necessitate adjustments on the part of many Canadians engaged in this basic industry in order to maintain or raise their standard of living;

The bill at this moment does not do anything whatsoever to raise the standard of living of the farmers of Canada. Yet the minister has not indicated the long term character of the bill. He has given the impression wherever he has gone, including Smith's Falls, the last place on his tour throughout the nation, that the government has brought forward an agricultural program of which this is an important phase, something that is going to meet the problems of the farmers. I have carefully read the reports of the speeches of the minister as contained in the local and national press and nowhere will there be found any reference to the long term character of the bill.

What the government is doing, through the minister, in this matter, and let there be no mistake about it, is to bring forward another legislative enactment that will enable the propagandists of the government, of whom the minister is perhaps the most efficient next to the Prime Minister, to say, "Here is what we have done. We have brought forward a productivity bill. We brought forward a bill to provide for vocational grants to disabled people. We brought forward a bill to assist small business." And so on and so on.

Mr. Churchill: Give us the whole list.

Mr. Martin (Essex East): The fact is that all of these measures have only a long term value. In fact, all that some of them do is to put in another form something that has been on the statute books for a long time. This is part of the government's build-up at this stage. It is nothing more than that. I do not deny that when the next government headed by the Leader of the Opposition takes over, it will be in a position to enter into agreements with the provinces for the purpose of carrying out certain intents of the bill, particularly as contained in clauses 4 and 5.

Mr. Ricard: Twenty years from now.

Mr. Martin (Essex East): But the minister must not be allowed to get away with the suggestion that what we have here tonight is the fulfilment of an important phase in the government's agricultural program. He mentioned that this was referred to in the general declaration of policy on agriculture by the Prime Minister in 1958. I have read that general declaration of the Prime Minister just as the minister has. I do not know it by heart as the minister does, because he has repeated it so often that he believes everything in it.

The fact is, however, that there is no reference in that statement to the particular character of this bill. All that is set forth is a general characterization that the government contemplates some measure to provide for the rehabilitation of agriculture, but to identify that generalization with this bill is to stretch the meaning of the Queen's English.

The minister has put out a pamphlet and he referred to the criticisms that were levelled at it by some hon. members. One would gather from reading the pamphlet that the bill had already been passed. One would gather that it was already the law of the land. One would gather that the bill provided directly for measures that would improve the income position of farmers at the present time.

Mr. Hamilton (Qu'Appelle): Nonsense.

Mr. Martin (Essex East): I know it is nonsense. That is what I am trying to tell the minister. All his claims for this bill are extravagant claims that cannot be supported either by the letter of the bill or by the declaration of intent of the government in announcing it. That is the fact. It requires repetition in order to indicate to the people of Canada that it is the fact. All we have got here is a bill that empowers the government to do certain things if certain other conditions are present. Nowhere will you find the minister acknowledging a real foundation for this measure. He says that this is a new concept determined by the present government and announced by the Prime Minister in 1958. He makes no reference whatsoever to the preliminary work done in this regard

by the Canadian Federation of Agriculture. He says nothing about the model bill put forward by the Canadian Federation of Agriculture with regard to land use. No, this is an idea thought up only by the Minister of Agriculture and the Prime Minister, those two agricultural stalwarts from the province of Saskatchewan.

Mr. Jorgenson: Tell us what the Canadian Federation of Agriculture says about the bill.

Mr. Martin (Essex East): I will tell the hon. member what the federation says about the bill. I will tell him what the federation has said about the committee on land use in the other place.

Mr. Fulton: One at a time.

Mr. Jorgenson: Answer the question.

Mr. Martin (Essex East): I know that hon. gentlemen do not like to be exposed.

Mr. Fulton: We love it.

Mr. Martin (Essex East): They do not like to have their legislation put in proper context.

Mr. Fulton: How about answering the question?

Mr. Martin (Essex East): The fact is that the former government under Mr. St. Laurent and Mr. Gardiner—

Mr. Cardiff: Never did anything.

Mr. Martin (Essex East): —recognizing the importance of this kind of measure, proposed the study which has been carried on now for over four years in the other place, as the result of action taken by the former government. It was not this government that thought of this kind of measure. All one has to do is to recall the speech made in this house by the former prime minister, Mr. St. Laurent, when he indicated that the time had arrived for careful consideration of the question of land use in Canada and that the responsibility for making a careful study of this matter might well be assigned to the other place.

For a period of well over three years and a half witnesses came from all over Canada and made representations concerning what they thought might be done about economic land use to this committee under the chairmanship of a former member of this house, Senator Power. The committee listened to representations from government officials, and after all this evidence was accumulated, suddenly the Minister of Agriculture came forward with a new vision. He abandoned his vision of the north because he was given a new portfolio. He came forward with a new vision, this time a vision about the future of agriculture. It was a vision based upon the work of the former government. If the minister had wanted—

Mr. Campbell (Stormont): Will the hon. member permit a question?

Mr. Martin (Essex East): —to be fair in this little pamphlet of his which bears his imprimatur, he might well have referred to the speech of the Right Hon. Mr. St. Laurent; he might well have referred to the federation of agriculture study and representations made by that body to that committee. The federation, when it made its second representation to the committee, praised the step taken by the former government.

Mr. Campbell (Stormont): Would the hon. member permit a question?

Mr. Martin (Essex East): Not one reference was made by the minister to these matters. I see the expert on agriculture from Cornwall is anxious to be recognized, and of course I recognize him.

Mr. Campbell (Stormont): Would the hon. member tell the committee of his vast experience in farming and agriculture so that we can judge for ourselves the authority with which he speaks on this subject?

Mr. Martin (Essex East): If the hon. member is not aware of this as I speak, then I can do no more.

The Minister of Agriculture has, at public expense, distributed thousands of these pamphlets. I have been told that over three million of these pamphlets have been prepared, some of them no doubt for the by-elections. Nowhere in this pamphlet is there to be found any reference to the work of the other place. No reference is made to the work of the farmers' organizations, notably the federation of agriculture. No reference is made to the model bill which the federation placed in his hands. No, this program is the result of a brainwave of the Minister of Agriculture alone.

Mr. Hamilton (Qu'Appelle): In the interests of accuracy and since the hon. member says this pamphlet does not even mention the other place, although he says he has read it carefully, I would refer him to pages 3 and 4 which are almost entirely concerned with the resolution passed by the Senate. The hon. member also said he had been informed that three million of these pamphlets were distributed. Where did he get his statistics, from the Martin bureau of statistics?

Mr. Martin (Essex East): The minister has not in any way answered my charge. He does not give any acknowledgement to the work of the committee of the other place.

Mr. Nesbitt: It is right there.

Mr. Martin (Essex East): The minister says this plan arose out of a statement made by the Prime Minister in announcing his charter for the farmers of Canada in 1957. The minister, no matter what contrivance he resorts to, stands convicted by the very pamphlet which he says represents not only the offer of this government but pays proper tribute to the work of the previous administration and the national farm organizations. The Minister of Agriculture has spent quite a bit of his time outside the house in the last few weeks enunciating this program. I think that from now on he should be on his guard because everything he has said is being carefully read by the members of this house. From now on, we will ascertain whether or not the Minister of Agriculture is really interested in the rehabilitation of agriculture or in the rehabilitation of his party which is continually losing public esteem and support in this country.

When the minister presented the resolution which preceded this bill, he said that what he wanted to do was to see the bill placed in the hands of provincial governments and certain national farm organizations for the purpose of eliciting their views. This was a commendable decision of the minister. We certainly have not had from the minister tonight any report of the nature of his conferences with the provincial ministers of agriculture or the governments of the provinces. We have had from the minister tonight only a vague reference to conferences with the provinces and with certain ministers of agriculture. We have not been told which ministers of agriculture. We have not been told if all the provinces and their departments of agriculture have been consulted. We have been told there was a conference in which the provinces indicated their willingness to co-operate.

What provincial governments, presented with legislation in these general terms, would take any other position than to say they would co-operate with this government in the prosecution and in the realization of the kind of measures envisaged in this particular enactment? What province would deny that it was prepared to give consideration to entering into an agreement with the federal government for the purpose of undertaking projects for more efficient use and economic development of marginal or submarginal agricultural lands? There is no obligation imposed on the province by that kind of language. Of course, the provinces are in favour of that. Just as everyone is against sin, so are the provinces in favour of trying to do something for agriculture.

[Mr. Martin (Essex East).]

But the minister has not given us any indication of the kind of specific agreement into which any particular province is prepared to enter. This bill came before this house in this form on March 23. When was the bill given to the provinces? When did this conference with the ministers of agriculture take place? Was it a general conference? Were there conferences with the two national farm organizations, and when did these conferences take place? The minister has not given us any indication whatever of the extent to which the provinces were willing to co-operate. He has not given us any indication as to how much money any particular province was prepared to commit itself to, in connection with this measure or in connection with any particular phase of this measure. All he has told us in this most general way is that, as a result of these conferences, so carelessly and so vaguely referred to, he has received an assurance from the provinces that there would be co-operation. We were told 2½ years ago this kind of co-operation would be given by the provinces with regard to the government's crop insurance legislation. All we have now as a result of that legislation is that one province has fully committed itself to an agreement and another has partially committed itself.

The minister cannot hope this parliament will take seriously his statement that the provinces have entered into any kind of commitment with regard to any particular phase of this bill. All that they have done, on the basis of the minister's own words, is to promise to co-operate, whatever that means. The minister does not indicate that the value of this bill is to be determined not in the light of what may happen today but what may happen some time in the unforeseeable future. The minister has not given us any indication when the first agreement under any one of these clauses, 3, 4 or 5, will begin. Will there be an agreement of any kind this year with respect to any of the provisions of these various clauses? Will there be an agreement next year? When will there be an agreement? Will there be an agreement in the next quarter century?

The minister has not given the committee any kind of assurance whatever. There is no obligation imposed on the government. If one examines clause 3 one finds there that the minister may, with the approval of the governor in council enter into a certain kind of agreement with any province providing for a joint arrangement. Then in clause 4 again the minister may, with the approval of the governor in council, enter into an agreement

with any province providing for an undertaking jointly with the government of the province or any agency thereof for the purpose of certain things such as agreements for soil improvement and water conservation projects.

Then there is provision that the minister may cause to be prepared and undertaken directly or in co-operation with the government of any province or any agency thereof programs of research and investigation, as if that is something that is unique and something new. That is being done now. Surely the minister knows that in his department there is a research division. The minister surely knows now that in that research division, research on land use and on other phases of agricultural interest are now being pursued. This legislation is not required to cause that to be done. Therefore this particular clause is nothing more than window dressing that flows from the mouth of the minister all intended for one purpose, namely to fail to disclose to the farmers of this country that this government, having promised so much to the farmers of Canada, has not been able to implement those promises.

Mr. Crouse: What about the wheat sold?

Mr. Martin (Essex East): My hon. friend who is interested in fish asks me about the wheat sold. That has nothing to do with this bill. I am talking about this bill. My hon. friend should know that there is a difference between wheat sold and something that is intended for the very long future. Surely I am not being unfair to the minister when I characterize the legislation as I do.

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): The only obligation imposed on the government in this bill is to be found in subclause 3 of clause 3 where it is provided as follows:

> 3. The minister shall, in carrying out any project or research program for the development of income and employment opportunities in rural agricultural areas, make use wherever possible, of the services and facilities of other departments of the government of Canada or of any agencies thereof.

We find that provision, as if that was the kind of thing that should be put into this bill. If the government enter into any kind of research project, surely they must inevitably use the services and the facilities of other departments of the government of Canada. There is no legal requirement which forces a government to put that kind of thing in legislation. That also is window dressing. It means nothing. That kind of thing is what the government would have to do in any event. This is put in there simply so that the minister can go and talk eloquently with ardour about A.R.D.A.

An hon. Member: Who thought that one up?

Mr. Martin (Essex East): I therefore do not think that anyone can say that this bill does what the minister in the generality of his language suggested it does. If the minister wishes to convince this house, the farmers and the people of Canada that this is a program designed for their immediate or short-term amelioration let the minister say so. Let him give evidence of it. Let him produce evidence that there is at least some commitment by the provinces for sharing with the federal government in the cost of the projects that are envisaged. We have not even had from the minister any indication, except again in very general terms, of the nature of the cost-sharing plans. He told us that some of these plans would be on a 50-50 basis and that some would be on the basis of the extension of credit by either one of two senior governments or by both. But that again is so general as not to convey any real meaning whatsoever. Let the minister tell us that there is one province in connection with which there is a definite commitment for the federal government to expend X percentage of dollars and for the province to expend X percentage of dollars. Let him give us one example of that kind. Then he will be justified in the glowing references he makes to this new phase of the government's agricultural program.

This bill is like so many other projects of this government, Mr. Chairman. It reminds one of the Clark report that is still being studied by the Minister of National Health and Welfare. That is something for the long term. It reminds one of the legislation to which I made reference a moment ago, namely the legislation providing for grants for vocational rehabilitation. The bill introduced this session by the responsible minister in connection with that matter, as he was forced to admit, did not do anything whatsoever except to put in the form of an act something which was now being done and which had been done by governments for over a decade as the result of government policy formulated 12 years ago.

Mr. Charlton: For how long was the Saskatchewan river dam promised?

Mr. Martin (Essex East): My hon. friend asks how long the Saskatchewan river dam was promised. I am talking about an enactment; I am saying that when a government comes into parliament and causes parliament to pass a measure, that measure should stand on its own feet and no minister of the crown, in introducing such a measure, should seek to give the impression that the bill does

something which, on its very face value it does not do. That is the gist of my criticism of this measure.

I say that the principle behind this bill is sound. I say that the principle behind this bill is good. There must be provision for agricultural rehabilitation, for further policies in the matter of land use, for policies designed to deal with the serious and critical situation that attends the farmers of Canada on marginal land. No one in this chamber quarrels with that objective. That was why the former government caused the committee in the other place to go into this whole matter, namely so that we could have the basis for some legislation in that regard. To the Minister of Agriculture I say this. By the pamphlet which he has distributed; by the speeches which he made to farm groups, particularly the speech he made the other day in Esquimalt-Saanich and the speech he made the other day in Smith's Falls, he has not added to his prestige nor to the prestige of his government.

Mr. Fulton: He has added to the consternation of the Liberal party.

Mr. Martin (Essex East): I beg the minister's pardon.

Mr. Fulton: I said he has added to the consternation and disorganization of the Liberal party.

Mr. Martin (Essex East): I think my hon. friend is right.

Mr. Fulton: Shall I repeat it again?

Mr. Martin (Essex East): I think my hon. friend is right; he has added to the consternation of the Liberal party.

Mr. Fulton: And its disorganization.

Mr. Martin (Essex East): The Liberal party has never brought into this house legislation which on its face was so far removed from the declarations of intention of the proposers or of the government. I doubt that you will find on our statutes any bill of this character, a bill that provides the government with powers which it may or may not exercise some time in the long future. I doubt that there is to be found on the statute book of our country any bill of this character. When the former government had a policy to bring forward, it brought in a specific enactment providing for something to be done forthwith, not something to be done in the long future. In this bill there is no guarantee that anything whatsoever will be done this year, next year or at any time. No obligation is imposed on this government to do anything. The only real purpose of the government in bringing forward this bill at this time in this form is to add to the façade of political deception that it is creating throughout this country by trying to give the impression that it has accomplished something when in fact it has failed in the discharge of its promises made to the Canadian people in two general elections. That is the real situation. The minister could rise now and tell me, tell the committee, if the hon. member for Essex East is wrong. He could say, "Here is what we have done; we have an agreement with the province of X to do thus and thus at a certain time." I challenge the minister now to give us one bit of evidence that he has a specific agreement with any province pursuant to any clause of this bill.

Mr. Pallett: Before the legislation is passed?

Mr. Martin (Essex East): The hon. member will recall that with regard to assistance to farmers, acreage assistance, the commitment was made by the government to the provinces before parliament had even met and the Prime Minister justified that on the ground that the farmers of Canada were entitled to a commitment from the government and the government was prepared to stand or fall by that commitment. If hon. gentlemen opposite wanted to vote against us, he said, they could do so. Let the minister take that course. If he does so we shall at least be convinced that this bill, good in its principle, good in its concept, really means something in immediate terms.

Mr. Argue: I am sure we have listened with a great deal of interest to the eloquent speech delivered by the hon. member for Essex East. We are all sorry he was away from the house for some little time because of illness but we are pleased to see tonight that his health is excellent and that the rest he had for a few days has enabled him to make a very eloquent speech upon a subject into which he has perhaps not done as much research as, I know, he would like to have done.

The Minister of Agriculture delivered a long speech tonight. I see he is out of his place now and I hope that does not mean another protracted absence.

Mr. Pallett: Just as the hon. member was out of his seat.

Mr. Argue: I have not been in my seat all day, that is perfectly true, but I have not been away for a full week, at least not until this point of the session. However, we know the Minister of Agriculture has been given a difficult job. His job is to improve the fortunes of the Liberal party in rural Canada.

Some hon. Members: Liberal party?

Mr. Argue: Well, I don't know. If he keeps on, maybe he will be doing just that. His job is to improve the fortunes of the Conservative party in rural Canada and he has decided that in order to do that he must be out and about the country for a very large part of the time. I understand that the minister in closing the debate—I was not here at that time, though I heard about his closing remarks—made a long reference to some of the things I have said on this subject and on other subjects. I am highly pleased he should have taken the trouble to deal with some of the statements I have made. I hope he will order a large number of copies of *Hansard* for today and send them out across western Canada. I particularly invite him to send them to my own constituency since he has spent so much time dealing with remarks which have been made from this corner of the house.

The hon. member for Essex East endeavoured to demonstrate that while there is nothing in this legislation, members of the Liberal party really had had a policy of their own with respect to conservation. Their policy, as the hon. member so well pointed out, was to appoint a committee of the other place some four years ago to undertake what seems to be a permanent study of land use in this country. The present approach may not be the best approach in the world but I think it is far better to have an act, even an inadequate act, placed before the House of Commons than to have a long, almost endless study going on in the other place. I think the hon. member for Essex East might have improved his argument a great deal if he had pointed out some of the things which the minister of agriculture in the former administration had done under the Prairie Farm Rehabilitation Act rather than referring only to the program of study which was undertaken in the other place.

I should like to ask the Minister of Agriculture whether any agreements whatsoever are pending with the provinces. I should like to hear from the minister whether he expects any agreement at all to be signed this year and, if so, how many agreements and in what form he expects them to be signed. This whole bill, with the exception of the research features, is dependent upon provincial agreement and co-operation. I see nothing in this bill—and let the minister correct me if I am wrong—which permits the federal government to undertake projects with the farmers to bring about certain desired improvements in income or certain desired changes in land use.

As I say, every clause of this bill is dependent upon provincial agreement. In other words, the federal government is taking no direct responsibility on its own. Its responsibility will be exercised only by agreement with the provinces. I think there is a place for agreement with the provinces. There is probably a place for agreement with the provinces in every clause of the bill. But I submit there is also room for direct agreements with the farmers concerned in order that the federal government in co-operation with farmers may do something to increase farm income. I see no such provision here. I do not know why the bill has been prepared in this way. The Prairie Farm Rehabilitation Act provided that the federal government could undertake direct projects. Section 9 of that act reads as follows:

> The minister may, subject to section 4—

That has to do with recommendations of advisory committees.

> —undertake the development, construction, promotion, operation and maintenance of any project or scheme under or by virtue of this act or enter into any agreement with any province, municipality or person with respect thereto.

In other words, under the Prairie Farm Rehabilitation Act the federal government is given power to deal directly with farmers and this the federal government has done in thousands of instances. It has provided direct assistance to farmers in connection with dugouts, stock watering dams and other projects. However, under this so-called A.R.D.A. program no direct benefit goes to the farmers, as I read it. First of all, there has to be a master agreement with the provinces relating to those projects. I suggest that if it is claiming all the initiative it is now, in this field the federal government should show the same kind of initiative as is set forth in section 9 of the Prairie Farm Rehabilitation Act so that the federal government in consultation and agreement with the provinces might go out and do a job of raising farm income.

No one can be fully sure of what can be accomplished under this measure. Certainly within the provisions of the measure there is room and possibility for broad beneficial results. No one can tell from reading this measure whether it is going to be a part of the vision, part of a political propaganda splurge, or whether it will mean something very positive and worth while in the way of government policy.

Farmers have been disappointed in the past. This government introduced a measure in 1948, referred to as Bill No. 237, which proposed legislation under which farmers were assured that the government guaranteed floor prices for nine main agricultural commodities. They have found out since that these floor prices are very largely fictitious, and that it is very difficult, by means of the deficiency payment formula, to obtain any

real benefit from that measure. I hope that the measure which we are now discussing will, as it is formulated, be of much greater benefit to the producers than the measure contained in Bill No. 237, in regard to which there has been so much disappointment.

The minister has referred to projects which will be financed on a 50-50 basis. I should like to ask the minister whether he can name one project in regard to which he expects to sign an agreement with any province, financed on a 50-50 basis? He has also referred to a 37½-37½-25 division. I should like to ask the minister whether he can inform this committee of any project that will be financed in that way?

The minister has also referred to certain projects regarding the seeding of land to barley, as I understood him, for wildlife, such as ducks. I should be very interested to learn from the minister how this project will work out in practice. I know that tens of thousands of farmers in western Canada have lost many fields of grain, particularly barley, year after year, because of ducks. The ducks land in vast numbers in a field of barley and destroy that field of barley in a matter of hours. I should like to know whether there is any provision in this bill, as it is now drafted, to compensate farmers for the destruction of their fields of barley by ducks, or is this a special provision in respect of special land seeded to barley to provide feed for wildlife?

Mr. Chairman, as I have said, the value of this measure can be determined only by the action taken by both federal and provincial governments, and I should think the members of this committee would be interested in learning whether, under this legislation, the government expects to have any project in operation during the present calendar year and, if so, which project will it be.

Mr. Nesbitt: Mr.Chairman, I have listened to the two hon. members who have just spoken in regard to this measure, the hon. member for Essex East and the hon. member for Assiniboia. I was particularly interested in the comment made by the hon. member for Essex East, which he repeated several times, to the effect that the minister had made no reference to the contribution of the special committee of the Senate on land use in Canada. Perhaps I misunderstood the hon. member, but I found his remark rather strange, in view of the fact that the pamphlet, to which he referred, makes reference at page 3 to the Senate committee recommendations.

Mr. Martin (Essex East): Would the hon. member read what the pamphlet says there?

Mr. Nesbitt: The hon. member has requested me to read what the pamphlet says, and I shall be very pleased to do so. This pamphlet is entitled "Senate Committee Recommendations", and it says that the Senate committee on land use in Canada has studied the question of marginal and submarginal lands during 1960.

[Mr. Argue.]

Mr. Martin (Essex East): Does the hon. gentleman not realize the committee was set up 3½ years before that?

Mr. Nesbitt: That may very well be the case, however, it says that committee studied that particular problem during 1960. That committee may have studied the problem for several years, but I would suggest the hon. member knows the political makeup of the Senate.

In any event, I do not understand how the hon. member is able to suggest the minister has deprecated the work done by that committee of the other place.

Mr. Martin (Essex East): The pamphlet says it studied the problem in 1960, and I suggest that the committee was set up three years before that, during which time it studied the problem.

Mr. Nesbitt: The hon. member suggests that perhaps the work accomplished during 1957-58-59 should also have been mentioned. That may be so, but there is certainly reference made specifically to the work done in 1960. Whether the work done in the other years should have been mentioned is perhaps a matter of opinion. I do not think it matters very much, because the work of that committee, in regard to this study, has been specifically commended and referred to by the minister. All matters such as this, of course, may be matters of opinion.

The hon. member for Assiniboia made certain remarks in respect of this subject, and I thought he was fairer than the member for Essex East.

Mr. Martin (Essex East): I am afraid I must leave with that remark.

Mr. Nesbitt: Before the hon. member for Essex East leaves, I should like to say that it is an old adage of the law—and he is a member of that profession—when one's case is not very strong one should present it loudly, with vehemence and eloquence. The hon. member for Essex East certainly did that.

Mr. Chevrier: He does that with every case, and with logic as well.

An hon. Member: Good or bad.

Mr. Nesbitt: I am quite sure the hon. member for Essex East may do that in every case, good or bad, but it is not always accurate.

However, the hon. member for Assiniboia suggested that the federal government could not, by itself directly, do anything for the farmers. I suggest that is the normal type of comment which results from the thinking of that group of which he is a member. He had reference, as I understood it, to the decentralization of control. I think it is quite clear that the terms of the bill indicate recognition of the fact that the best way to work out the problem is by co-operating with local authorities who know best those lines of approach which are most suited to their particular areas. I do not think the mighty know-it-alls of Ottawa are in a position to do that. I realize the C.C.F. party, in the past, has felt that all good things and all knowledge flow from Ottawa. I have found, through consultation with members of the party to which I belong, that it is generally our opinion that matters such as those involved here are best decided and appraised by the local people who are directly concerned and possess greater local knowledge. Of course, it is the policy of the federal government to assist and participate in these matters.

I should like to make a suggestion to the minister in respect of A.R.D.A. I do so in answer to the suggestions made by the previous speakers that the minister has not mentioned specific projects to any extent having relation to the establishment of farmers' markets. Farmers' markets have been considered as poor relations. To a large degree they have been ignored by large farm organizations and perhaps by branches of government because they do not fit into the modern concept of big business and the like.

The farmers' market is a ready-made established form of small farm help. It needs only more backing, understanding and promotion from agricultural and provincial and municipal authorities. A number of hon. members may be uninformed on farm markets because in large urban areas they are not in evidence at the present time. They are much in evidence in smaller semi-urban and rural areas. My submission, Mr. Chairman, is that they could be promoted in the larger areas to the benefit of small farmers.

Each vendor in the farmers' market represents a small independent business. In other words, each farmers' market is a collection of small independent farmer businessmen. For the benefit of members who perhaps have not those farm markets in their area I would mention that it is normally the custom to hold one of those markets once a week, ordinarily on Saturdays, or sometimes two or three times a week, depending on the area concerned.

The primary users of farmers' markets are first of all market gardeners and also fruit growers with limited capital and acreage who for reasons of age are perhaps not able to expand in today's stepped up economy or perhaps, as I have said, they do not have the capital to do so. Another group who use farmers' markets are small farmers selling everything from maple syrup to cabbage to supplement their incomes. A third group are the wives of mixed family farmers who sell poultry products and home baking for the obvious purpose again of supplementing the family income. The two other groups that customarily use farmers' markets are farmer butchers and hucksters. I know a number of people say that hucksters have no place in farmers' markets. They buy produce of the farms and go and sell it themselves on the market. But after all, hucksters have to make a living, too.

The first three groups are, I think, perhaps the most important, namely the market gardeners and the small farmers who are selling produce to supplement their income and the wives of mixed farmers who sell poultry and home baking.

What function does the farmers' market perform in a community? Well, first of all it provides fresh produce directly from the producer to the consumer, and in these days this is something very beneficial because many vegetables which the large grocery chains and other organizations sell to the public are picked, sent to a large centre and sorted and redistributed. By the time the public gets them they are not always in the best of condition. This, of course, is particularly applicable to vegetables such as asparagus and sweet corn. Thus, the first function that the market can perform is to see that the people in the area are provided with fresh produce direct from the producer to the consumer.

The second thing is that the community itself derives value from the market. Of course, there is a little extra business from the farmers who come in on Saturday or Wednesday market days. A very important thing it does is to promote good urban-rural relations. This, Mr. Chairman, is a most important function of the farmers' market.

In the city in which I live, namely Woodstock, there has been a large and active farm market ever since I can remember. It is an event that most people in the city look forward to every Saturday. They look forward with keen interest to coming down to the market and exchanging ideas and having a talk with their friends from the country who bring in the various kinds of produce. I know everyone looks forward to it. This, of course,

leads to a mutual understanding of rural-urban problems. This is something which cannot be measured in dollars and cents. It has great intangible values. It is a one-day attraction, but it is also a tourist attraction. I know of people who occasionally visit our town from large areas who get quite a kick out of going down to the market and seeing first hand the farm produce brought in. Tourists from other countries also go down town to see the market. For these reasons, Mr. Chairman, I think it would be a very good idea if everything were done to retain and if possible expand this multitude of small enterprises in farmers' markets.

I should like just briefly to give the committee some figures to show how farm income can be supplemented by the use of the farm market. Might I say that these figures were given to me by Mrs. Alec Cureton who lives in the county in my area and who keeps a very exact cost accounting of her week's operations. The first item of expense that she mentions is something that I want to refer to again in a moment. The rent for the stall comes to $2.50 each Saturday. The cost of bags comes to 34 cents and boxes, 60 cents. The cost of bringing the truck in amounts to $1. Therefore, her total cost is $4.44. These are her actual revenue figures for one week: 49 dozen eggs, $23.85. I might say that this revenue was for the week ended May 6. The cost of producing the eggs—in other words, the feed—came to $17.20; the balance before other costs would be $6.65. For four bags of potatoes she received $11.30. The cost of producing those potatoes was $8 and the profit, $3.30. For 63 boxes of flowers, pansies, she received $20.60. For three bird houses made from scrap lumber she received $2.25. The gross income was $32.80. The net cost was $4.44, leaving a balance of $28.36. This is not a great deal of money when one considers the work involved, but I have talked frequently to this particular vendor and many others in the local market and they are very glad indeed to be able to have this supplementary income which greatly assists them in being able to carry on.

How can farm markets be improved and expanded? First of all, there should be strong support and backing from the Department of Agriculture by means of promotion and the like. Second, the Minister of Agriculture mentioned earlier this evening education of local authorities by means of literature and the press on the value of farm markets for A.R.D.A. Third, and of most importance perhaps in practical terms, co-operation with provincial and municipal authorities in improving and expanding farm markets as a part of A.R.D.A. and—here is the important thing—as a public service.

[Mr. Nesbitt.]

Originally, farmers' markets were intended as a service to the district farmers and indeed to the citizens of the towns and cities. They were not intended as a money-making scheme as some people and indeed some municipal councils think. I mention this because I know that in some areas there has been a tendency for municipal councils to raise the rents for farmers coming in on Saturdays or on Wednesdays as the case may be. I would point out that the intention of those markets was not to be money making but to provide a service. Since we all know that in the last 15 years costs have risen gradually, to raise the rents for farmers who come in on Saturdays when the price of their produce has not increased greatly would work a great hardship. It is in this way that the federal government could contribute to the expansion and promotion of farm markets through provincial and municipal authorities.

This is a project that I think could be greatly expanded to everybody's benefit. It provides the small family farmer and his wife with additional income which is very badly needed to purchase those little extra things they might not otherwise be able to get. At the same time, as I have already mentioned, it promotes good urban-rural relations and provides the public with good, fresh produce which they perhaps cannot otherwise get in some of the large cities.

I know that a number of places such as Hamilton, London, Kitchener and others have very fine markets indeed. They provide a great service to these communities. These are medium to large size cities, and I know that in smaller cities such as Woodstock from which I come such markets are also very popular. I think this idea could be expanded into the larger urban municipalities to the great advantage of both the rural and urban population.

Mr. Argue: Before clause 1 carries, Mr. Chairman, can the minister tell us whether or not any projects are likely to be undertaken under agreements to be signed during the present year? Will he also tell us whether I am right in thinking that it is impossible under these agreements for the government to deal directly with farmers in respect of rehabilitation projects?

Mr. Hamilton (Qu'Appelle): In answer to the first question, it is my opinion from talking to the ministers of most of the provinces that we will have at least one pilot agreement with every province by the end of the calendar year. In the case of the western provinces it is very easy because we have several projects we have discussed in respect of which it is not difficult to work on the basis of the precedents of the past in order

to build up agreements for the future. As the hon. member knows, the obvious one is the need for expansion of the community pasture idea.

The same situation applies in the maritime provinces where all the ministers are very keen to proceed with several projects that they have to offer. I should like to emphasize one point, namely, that each of us agreed that it is wise to do our research ahead of time rather than to go ahead and blunder into mistakes. Therefore I think the first thing you will see is a series of research agreements outlining certain areas and problems.

With regard to the second question having to do with making arrangements directly with the farmers, the legislation specifies that agreements may be made with a province or any agency thereof. As the federal government we have the feeling that when we are dealing with matters affecting property and civil rights the provinces should either be partners with us or should name some group with which we can be partners. Under the legislation the province will have to designate the agency. I would suggest that in certain provinces it might be a conservation district while in others it might be a municipality. If a group of people organize themselves into a particular district for a specific purpose, there is nothing to stop the province from authorizing them as the agency, and that is the reason for drafting the legislation in this way.

I should like to refer to a point that goes beyond clause 1. Clause 7 of the bill makes it mandatory for the minister to bring each agreement before the house under an estimate before it becomes final. In this way we have protected the rights of parliament.

I cannot help noting in passing the tendency of the leader of the C.C.F. to come back again and again to a theme which I think is a dangerous one for the C.C.F. and the New party, namely, that this matter should be centralized in the hands of the federal government. This centralizing tendency goes against the main trend of Canadian public thinking which is that government is better closer to the people. I for one would hesitate to support any suggestion that we should ride roughshod over the wishes of the provinces in this regard. The hon. member for Essex East exposed himself completely, of course, when he referred—

Mr. Martin (Essex East): Be careful.

Mr. Hamilton (Qu'Appelle): —in his rather enthusiastic remarks to my ability in getting word across the country of how the bill would help people, by pointing out that he was a centralizer—

Mr. Fulton: Good old Grit tactics.

Mr. Hamilton (Qu'Appelle): —that he would like to have the responsibility of running this whole show because he would lay down the law as to how things were to be done.

Mr. Fulton: Grit tactics.

Mr. Hamilton (Qu'Appelle): He forgot himself there. He went on to point out that when the Liberals were in power they brought in no long term legislation. They brought in ad hoc legislation dealing with some matter of the moment but which did not look to the future. Actually he condemned the former Liberal government rather harshly because they did bring in legislation with a long range effect. One of the best examples was the Canada Water Conservation Act, and as far as the Liberals are concerned the only criticism I offer of that act is that they never used it. He criticizes us for having brought in legislation that all provincial ministers have agreed is broad enough to cover almost any type of project that they can envisage. I think this legislation is not only sound in principle but is broad enough in its framework to take in all points of view.

The hon. member for Essex East asked me to give one example of an agreement made with a province. This points up clearly that he has shown himself to be completely contemptuous of parliament. He knows very well that if I had signed an agreement and brought it into the house I would have been accused of ignoring the rights of parliament.

Mr. Martin (Essex East): Not at all.

Mr. Hamilton (Qu'Appelle): He argues that by putting out a pamphlet describing the general principles of something that is going through the house we are not fully respectful of parliament. Then he goes on to say that he wants me to bring in an example of an agreement signed and sealed which would in effect really be an insult to parliament because under the legislation I have no right to bring in any agreement until the bill is passed and until an individual vote covering each agreement has been approved by members of the house who are responsible for voting supply to the crown.

Mr. Argue: Mr. Chairman, I think the statement just made by the minister is a very important one and demonstrates that very little will be accomplished under the legislation during the present year. The minister says that he expects that before the end of the year there will be agreements with each of the provinces and that pilot projects may be under way in some provinces. Then he went on to say that there is one thing that the government has learned,

that research should come first. If we have a project, if the research has to come first, I think it follows that it may be a long, long time before any great use is in fact made of the legislation.

The minister said earlier that the federal government may pay 50 per cent on certain projects and 37½ per cent on others. I ask the minister whether he has any projects in mind on which the government may pay more than 50 per cent.

The minister says that we in this group have a tendency to centralize and that under the bill everything is going to be done through the provinces. I suggest that the Prairie Farm Rehabilitation Act is a good act in that it permits the government, if it feels it is necessary to do so, to deal directly with the producers, the farmers. I think it is a very definite oversight, a definite lack in this bill, that the federal government cannot deal directly with the farmers, at least in particular instances. If that power were in this bill it would not mean the government could not or should not co-operate with the provinces. The government would have the power to deal directly with the farmers and to bring some of the benefits directly to the farmers without the need for this over-all provincial agreement.

Does the minister feel it is erroneous to have the Prairie Farm Rehabilitation Act permit the federal government to pay the farmers directly for the construction of stock watering dams or dugouts? Does the minister feel that this kind of provision should require a provincial act and presumably, therefore, payments from the provincial treasury? I ask the minister if he thinks it is centralizing when this government has in the past—and I hope they do it during the present crop year—paid producers a dollar an acre up to a maximum of 200 acres as some kind of trivial payment for a very large promise that has not been kept? Does the minister think it is centralization when the federal government writes cheques and makes those cheques available to the producers without any master agreement or consultation with the provinces?

Such clauses as we have in this bill do require provincial agreement and can be used, in every single instance, by both the federal and provincial governments as a means of blocking real progress and the real value of legislation such as this. I suggest the minister should have the bill amended so that the government would have the power to deal directly with the farmers in certain instances. I suggest this is an oversight and it makes the bill far less valuable when provincial agreement is required in every single case. I think the lack of this feature in this bill makes it absolutely essential that the Prairie Farm Rehabilitation Act be maintained. There is a great danger that the provision to permit direct dealing under the Prairie Farm Rehabilitation Act may be lost.

I again underline, Mr. Chairman, our extreme disappointment that this bill does not provide for some direct payments by the federal government to the farmers on particular conservation projects but rather gives every single province the right to veto, in any particular it wishes, the kind of benefits that can flow from this legislation.

Mr. Hamilton (Qu'Appelle): I am glad the hon. member has brought the issue out so clearly because it gives me a chance to explain very simply, and in blunt terms, what the hon. member should have learned here in the last 15 years. If he goes back and reads the words of the man of whom he spoke so highly here a week ago Saturday, Right Hon. Mr. Gardiner and his great contributions to P.F.R.A., he will find that Mr. Gardiner made a very clear statement on this particular subject on May 22, 1947, just exactly 14 years ago today.

Now, the minister of agriculture at that time had been asked to extend the principles of P.F.R.A. into other provinces. This is his statement, as reported on page 3317 of *Hansard* of that day:

> I am now authorized to make the following statement of present policy.
>
> The present Prairie Farm Rehabilitation Act will be continued as applicable to the established P.F.R.A. area in the three prairie provinces, Manitoba, Saskatchewan and Alberta.
>
> This act was passed in 1935 and amended in 1937, 1939 and 1941. It provides that works may be undertaken to rehabilitate certain areas in the prairie provinces even though the constitutional position is that such works are the responsibility of the province or municipality. There were, however, a number of special circumstances which justified P.F.R.A. Included in these is the fact that the dominion government administered the lands and resources of the area during its period of settlement and the further fact that there was reason to believe at that time that a very large area was subject to drought so severe and of such long duration as to make permanent residence difficult if not impossible without conservation and distribution of water.

He then goes on to describe the details, with which I shall not deal. However, he continues further along:

> It has been suggested that because of the benefits already apparent in the area to which P.F.R.A. has been applied, the principles of the act should be extended by legislation to all other parts of Canada.
>
> In view of the constitutional relationship between the dominion and the provinces the government has decided that such legislation should not be recommended. It is held that the same obligation does not exist in other parts of the prairie provinces or in the remainder of Canada as in the drought area of the prairie provinces.

It is considered, however, that there are certain works outside the drought area which if undertaken would be of assistance to all Canada through making possible increased development of farm lands which if left to provincial or municipal responsibility might greatly retard Canada's development.

Then, he goes on to describe what those increased activities could be, with a special program of marshland development in the maritimes and farm lands in British Columbia, and so on. The essential point which he makes, which is constitutionally sound, is that this matter of conservation is in the hands of the provincial governments. It was only due to the special circumstance that the land of the prairie provinces was so long under the federal government which had followed policies which allowed the land to be denuded that made it necessary for the Conservative government in 1935 to introduce this very fine legislation, and thus get around the constitutional position. These resources had only been turned back to the provincial governments in 1931.

I should like to point out, Mr. Chairman, that under this measure we can give assistance to farmers if a province designates that group of farmers as an agency of that province.

Mr. Argue: I wonder if I may ask the minister a question?

Mr. Hamilton (Qu'Appelle): I think this is the correct constitutional position to take.

Mr. Argue: Is it possible under this measure, as it is now, to provide that for any special project the minister might wish to think of, the government could pay the farmers 100 per cent of the cost?

Mr. Hamilton (Qu'Appelle): It is possible, yes.

Mr. Argue: Does the minister have any such projects in mind?

Mr. Hamilton (Qu'Appelle): There has been no proposal put before me by any group of farmers as yet, but I say it is possible under the terms of this bill.

Mr. Argue: We have had constitutional interpretations in this house by the Right Hon. J. G. Gardiner in years gone by, and I do not think some of us have been greatly impressed by his constitutional interpretation. It is a rather strange thing, therefore, to find the present Minister of Agriculture going back 14 years to quote Jimmy Gardiner as an authority on the constitution. I do not profess to be an authority on the constitution, but it seems rather strange to me that the constitution should apply in a certain way in three provinces and apply in a different way in the other provinces.

The minister says the constitution is applied in this way in the prairies because of drought conditions and because the land was in the hands of the federal government for such a long period of time. I think that is just nonsense. I think that the courts of this country would apply the constitution in precisely the same manner to every particular part and every province of the country. I think the Prairie Farm Rehabilitation Act is constitutional. The constitutionality of the act has never been challenged. I would suggest to the minister that no provincial government or no agency in this country is going to challenge the right of the federal government, which I think it has, to enter into agreements with the citizens of this country and under such agreements to make certain payments from the federal treasury. This, of course, is just an excuse; and the excuse the minister is using is directed, I am certain in my own mind, at getting substantial contributions from the provinces for the particular projects that are outlined in this legislation.

I suggest that the people on the prairies whom the minister represents and whom I represent do not ask for special treatment. We do not want the constitution to be applied in one way in the prairies and in another way in some other parts of Canada. If there are particular aspects of the Prairie Farm Rehabilitation Act that apply to the prairie provinces, I suggest that the good benefits should be applied to all of Canada instead of there being a situation, as the Minister of Agriculture is now saying, in which we have one rule for the prairies under the Prairie Farm Rehabilitation Act and another rule for the rest of Canada under A.R.D.A.; and under A.R.D.A. we will pay a smaller percentage than the federal government paid under P.F.R.A. I think it is time that all parts of Canada were treated equally and that any particular benefits that may accrue to the prairie provinces are made applicable to all parts of Canada. I resent being placed in the category of some special area that gets some special kind of hand-out and then the minister having the effrontery to tell us that the constitution applies in a certain way on the prairies and in a certain other way in other parts of Canada.

Mr. Martin (Essex East): May I ask the hon. gentleman a question?

Mr. Argue: Yes.

Mr. Martin (Essex East): Can he enlighten me and tell me whether the letters A.R.D.A. really mean Alvin's rehabilitation development act?

Mr. Argue: I do not know. Probably Alvin would say yes. I suppose it would depend on how it works out in a year or so whether he would want to agree at that time with the hon. member for Essex East.

I should like to see this act and the Prairie Farm Rehabilitation Act applied in the same way with the same general benefits through all parts of the country. It is true that the prairies have a risk because of drought or dry weather, which perhaps does not prevail in other parts of this country. However, I suggest that there are many areas of Canada today that are just as high a risk, as far as the growing of crops is concerned, as is a large part of the prairie region where, through good cultural practices or modern scientific practices we have been able to grow a tremendous amount of grain even when we have received a very low rainfall. One of the persons closely connected with the crop insurance plan in Saskatchewan has said that he feels that drought is no longer the most serious crop hazard in the prairie provinces; that because of good cultural practices we are able to grow much better crops on the basis of a low rainfall than we have grown in times past; and that a widespread epidemic of rust could create a much lower general yield across the prairies than even a year of low rainfall.

I conclude by saying that I resent the statement of the minister that we should have an act applying in a certain way in the prairies and in another way outside the prairie region. I think it is time that this government considered all ten provinces as part of this nation and treated them all on an equal basis. There are particular benefits in the Prairie Farm Rehabilitation Act and those benefits should be extended to the rest of the nation.

The Chairman: Shall clause 1 carry?

Clause agreed to.

On clause 2—*Agreements for alternative land use projects authorized.*

(Translation):

Mr. Meunier: Mr. Chairman, section 2 of the bill before the house deals with joint agreements or programs between the federal and provincial governments. Those joint programs are suggested by the central government to make more efficient those laws which, after all, have a bearing on the whole of the country.

This federal bill, like many others, provides for the sharing of expenses with the provinces.

Since our friends of the Conservative party have spoken against those programs under the pretense of autonomy, which is well known to its author, and since the principle of this bill does not seem to respect provincial autonomy, as understood by the Quebec members who sit on the government side, I ask that the vote be taken on this section.

(Text):

Clause agreed to: Yeas 48; nays, nil.

The Chairman: Shall clause 3 carry?

Mr. Martin (Essex East): Ten thirty.

Some hon. Members: Carried.

The Chairman: Shall clause 4 carry?

Mr. Martin (Essex East): I said 10.30, Mr. Chairman.

The Chairman: On clause 3?

Mr. Martin (Essex East): No; clause 2.

The Chairman: Clause 2 carried.

Mr. Argue: It was carried by vote.

The Chairman: We are on clause 3 and I am asked to call it 10.30.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Chevrier: May I inquire what the business is for tomorrow and for the rest of the week?

Mr. Churchill: Tomorrow we will start with No. 5 on today's order paper which is Bill No. C-92, to amend the Criminal Code. If that business is completed we will continue with Bill No. C-77, having to do with agricultural development. Then there are three other legislative items which are available if time permits. They are No. 6 on today's order paper, Bill No. C-97 to amend the Combines Investigation Act, the resolution in the name of the Minister of Justice concerning the Judges Act and the Exchequer Court Act and the resolution in the name of the Minister of Trade and Commerce with regard to the Export Credits Insurance Act.

For Wednesday, I am assuming we complete the debate on the amendments to the Criminal Code; if we are close to finishing that on Tuesday night but have not completed it we might consider it advisable to do that on Wednesday. After that is finished we would begin with the estimates of the Department of Justice on Wednesday and then, by consultation and arrangement, the house might go on with the estimates of the Department of Health and Welfare on Thursday and revert on Friday and Saturday to the estimates of the Secretary of State and of the Minister of Mines and Technical Surveys.

It being three minutes after 10.30 p.m. the house adjourned, without question put, pursuant to special order.

HOUSE OF COMMONS

Tuesday, May 23, 1961

The house met at 11 a.m.

STANDING ORDERS

Eleventh report of standing committee on standing orders—Miss Aitken.

TRADE

TEXTILES—STATEMENT ON LONDON MEETINGS

Hon. Donald M. Fleming (Minister of Finance): As hon. members are aware, informal meetings were held in London last week among representatives of Canada, the United Kingdom and the United States to consider various problems arising from international trade in textiles. Officials from the crown colony of Hong Kong were also present. It will be recalled that these meetings followed an announcement by President Kennedy of the United States that a conference of the principal textile importing and exporting countries would be called for the purpose of seeking an international understanding in this field which would provide a basis for expanding trade without undue disruption of established industries. The London discussions were the first of a series of consultations in preparation for a broader international conference.

I have now received a report from the Canadian representatives at these meetings, and can report to the house that encouraging progress was made. It was recognized that the problems which have arisen in the field of textiles could best be dealt with on the basis of a comprehensive international understanding. The countries represented at the London meetings pledged their co-operation in seeking such an international solution. Further consultations will now go forward in order to obtain the views of other principal textile importers and exporters and also to seek the co-operation of the GATT and the O.E.C.D.

Hon. members will appreciate that in a matter of this importance and complexity there exist many diverse interests and views. Accordingly, it was agreed that, consistent with maximum efforts for an early solution, great care should be taken to prepare the ground before convening a formal international conference. It is expected that after this round of consultations has been completed arrangements will be made for a ministerial meeting in the latter part of June.

I should like to assure the house that Canada will be represented at any such meetings, and that in line with our traditional position in these matters the Canadian government will give full and energetic support to this initiative. Our object is to reach an international understanding which will be fair to importing and exporting countries alike, and which will permit trade to expand without disruptive effects on our established industries.

A comprehensive international settlement will, of course, take time to accomplish. Meanwhile we shall continue to seek understandings on particular problems and with individual countries as we have in the case of Japan and Hong Kong. Needless to say, these international efforts are without prejudice to our rights under existing trade agreements to take measures where necessary to avoid injury to particular Canadian industries.

Hon. Lionel Chevrier (Laurier): Mr. Speaker, the house will have listened with interest to the statement which the Minister of Finance has just made, and I think also the house will have welcomed the statement in connection with the international conference to deal with this difficult, complex and varied question of textiles. It arises out of conditions which are not only national but international in scope and affect the United States, the United Kingdom and other countries all of which have a keen interest in the industry, and this makes the matter one of tremendous importance for Canada. Our country has a large number of textile industries, mostly in the central part of Canada but also in the other provinces, and everything that can be done to assist them will be welcomed on this side of the house.

I must say, however, that press comments on some of the statements that have been made by the Minister of Finance with respect to quotas and other matters have not been too favourable. That is why a conference of this nature is of the utmost importance. We on this side of the house will watch carefully and with keen interest what develops in this field from time to time.

Inquiries of the Ministry

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, this group welcomes the interesting announcement made by the Minister of Finance. We are glad to know that Canada is co-operating in an effort to promote comprehensive understanding of this trade problem on an international basis. In our opinion consultation is the proper and logical course to follow. Our trade will benefit and therefore our people as well will benefit on the basis of an agreement reached as the result of international understanding on a most complicated and difficult problem.

COAL

CAPE BRETON—ACTION BY CABINET RESPECTING MINE CLOSINGS

On the orders of the day:

Hon. Lionel Chevrier (Laurier): I should like to direct a question to the Minister of Mines and Technical Surveys. Would the minister, in his capacity as chairman of the coal committee, tell the house whether he has arranged a meeting with Mr. Fairley of Dosco to discuss keeping the coal mines open? If so, when will the meeting be held?

Hon. Paul Comtois (Minister of Mines and Technical Surveys): I cannot give any details, Mr. Speaker. All I know is that the cabinet is working on the problem and I hope that a statement will be made tomorrow.

Mr. Chevrier: I wonder whether the minister would be good enough to report to the house on the workings of the committee as he has done to the Halifax *Chronicle-Herald*, according to its issue of Monday, May 22, 1961?

Mr. Comtois: I have not seen that report, and certainly it is not an official report so far as I am concerned.

Mr. Chevrier: Mr. Speaker, the newspaper report which I hold in my hand—

Mr. Speaker: Order. I think the hon. member would not be in order to read the report. The answer has been given that the minister has not seen it.

Mr. Chevrier: I should like to ask a supplementary question. Based on what is contained in this report, to the effect that the minister indicated to the *Chronicle-Herald* that there was a committee which had two functions in mind and which was working on the problem of such interest to these coal miners, my supplementary question is this. What is the function of the committee, and what is the progress of the work?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, that is the same question that was asked yesterday regarding the operation of the so-called cabinet committee. As the hon. gentleman knows, information concerning the operations of committees within the cabinet has not customarily through the years been made available to the house. The hon. member is employing another method of seeking to obtain an answer to a question which one other hon. gentleman opposite yesterday endeavoured to have answered.

Mr. Chevrier: Mr. Speaker, I rise on a point of order. This is not the same question as was posed yesterday. The question which was posed yesterday arose out of a newspaper article of Saturday. This one arose yesterday, and contains a report allegedly made by the Minister of Mines and Technical Surveys to the Halifax *Chronicle-Herald* on the workings of the cabinet committee. If it was proper for the minister to give this information about the functions and work of the committee to the Halifax *Chronicle-Herald*, surely a question dealing with the matter is in order when raised in this house.

Mr. Speaker: It seems to me we are traversing the same ground we covered yesterday. I take it that the Prime Minister has given the answer of the administration on inquiries about cabinet subcommittees, that it is not customary to give such information and it is not proposed to give the information. To my mind that does not raise a point of order. As I said yesterday, the administration are free to answer questions in whatever way appears to them to be appropriate. That does not raise a debate on whether or not an answer is satisfactory.

Mr. Chevrier: Then, Mr. Speaker, I have a straight question—

Some hon. Members: Oh, oh.

Mr. Chevrier: —which I should like to direct to the Minister of Mines and Technical Surveys. Did the minister or the government make an approach to Mr. Fairley of Dosco to discuss keeping open the mines?

Mr. Comtois: No, Mr. Speaker.

HISTORIC SITES AND MONUMENTS

CLOSING OF FACILITIES ON HOLIDAYS DURING TOURIST SEASON

On the orders of the day:

Mr. Lucien Cardin (Richelieu-Vercheres): Mr. Speaker, I should like to direct a question to the Minister of Northern Affairs and National Resources. Is the minister aware that the birthplace of Sir Wilfrid Laurier at St. Lin, Quebec, which is an historic monument, was closed yesterday? Does the minister not

think an arrangement should be made to keep historic monuments open on holidays during the tourist season?

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, this is the first time the matter has been brought to my attention. I shall be happy to investigate the situation.

NATIONAL DEFENCE

NATO—SPEECH BY MINISTER RESPECTING NUCLEAR ARMS

On the orders of the day:

Hon. Paul Hellyer (Trinity): Mr. Speaker, I should like to direct a question to the Minister of National Defence. Was the minister correctly reported in the Winnipeg *Free Press* of Saturday last—

An hon. Member: Not likely.

Mr. Hellyer: —to the effect that Canada will oppose moves to extend nuclear arms to NATO before the completion of the disarmament negotiations this summer?

Hon. D. S. Harkness (Minister of National Defence): Mr. Speaker, I shall have to take a look at the Winnipeg *Free Press*—

An hon. Member: No, don't.

Mr. Harkness: —to see whether or not the report is correct. I may say, however, I made a speech in Winnipeg to the Royal Canadian Air Force Association, and I shall be very pleased to send a copy to the hon. member so that he may see exactly what I said.

Mr. Martin (Essex East): What did the minister say?

Mr. Hellyer: A supplementary question, Mr. Speaker. Will the minister say whether it is the intention of the Canadian government to oppose moves to extend nuclear arms to NATO in advance of the disarmament talks this summer?

Mr. Speaker: The hon. member is asking a broad question of policy. If the minister wishes to deal with it on orders of the day he is free to do so, but I point out that decisions of that kind are not normally given in answer to oral questions at this time.

Mr. Hellyer: On a question of privilege, Mr. Speaker, this is a very simple question. The minister saw fit to make a statement in this regard in Winnipeg. I think the minister should give the house the benefit of the same policy decision.

Mr. Speaker: The hon. member will have to express his dissatisfaction at the appropriate time.

Hon. Paul Martin (Essex East): Mr. Speaker, if the Minister of National Defence is prepared to reply to this question I think he should be allowed to do so.

Mr. Speaker: I have not prevented the minister from replying.

Mr. Harkness: Mr. Speaker, as I said before, the speech I made in Winnipeg speaks for itself. I shall be very glad to let hon. members opposite study it, and I think they would benefit from doing so. I am not prepared to make comments on alleged reports in the Winnipeg *Free Press*.

Mr. Hellyer: I wonder whether I might put the same question to the Prime Minister. Will the Prime Minister say whether it is the policy of the Canadian government to oppose the giving of nuclear arms to NATO until the conclusion of the disarmament talks this summer?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, even though the hon. gentleman was a minister for only two months he must realize now that declarations of government policy are not made on the orders of the day.

Mr. Hellyer: Mr. Speaker—

Mr. Speaker: Order. I fail to see how any supplementary question could arise.

Mr. Hellyer: These statements were made in Winnipeg to the *Free Press*.

[*Later:*]

Mr. Hellyer: I should like to direct a question to the Minister of National Defence. Has the minister suspended expenditures on the CF-104 aircraft and the Honest John missile pending the outcome of this summer's disarmament negotiations?

Mr. Harkness: Mr. Speaker, the answer is no.

Mr. Hellyer: I have a supplementary question. From the minister's reply can we take it that the government expects the talks this summer to fail?

Mr. Harkness: Mr. Speaker, I think I should point out that statements along this line carrying insinuations which have no foundation in fact are not proper when posed as supposed questions on the orders of the day.

Mr. Hellyer: The minister made a statement in Winnipeg, but he will not let the house in on the secret.

Mr. Speaker: Order. I think the minister's point of order is well taken but the supplementary question, of course, has to be asked before it can be dealt with.

Inquiries of the Ministry

INDUSTRY

AUTOMOBILES—INQUIRY AS TO REPORT OF ROYAL COMMISSION

On the orders of the day:

Hon. Paul Martin (Essex East): I wish to ask a question of the Minister of Finance. Before doing so, however, may I say to him how pleased we are to see him looking so well on this his 56th birthday. Can the Minister of Finance say whether we may have tabled before the by-elections next Monday, the report of the Bladen commission which was set up for the purpose of examining into the conditions of the automobile industry?

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, I thank the hon. member for his kind references to the personal significance this day has for me. As to the Bladen report, may I say that the hon. member finds great difficulty in detaching in his thinking any subject from the all absorbing interest he has in what happens next Monday in some constituencies.

Mr. Pickersgill: So does the government.

Mr. Martin (Essex East): That is right.

Mr. Fleming (Eglinton): There are certain processes of government and other matters that must go on while by-elections are proceeding. I wish I could clarify some foggy issues in his mind, but I do not suppose I shall be able to do so. However, I wish I could try. One of them would be to dismiss from his mind this lurking suspicion he has that everything revolves around what happens next Monday.

Mr. Martin (Essex East): Would you not agree, Mr. Speaker, that on the hon. gentleman's birthday he ought to be allowed to be characteristically and traditionally irrelevant?

CANADIAN NATIONAL STEAMSHIPS

REQUEST FOR REPORT ON VESSELS SOLD TO CUBA

On the orders of the day:

Mr. Hubert Badanai (Fort William): I wish to direct a question to the Minister of Transport. There are current reports to the effect that seven vessels of the Canadian National Steamships line which were sold to Cuban interests are still idle and rotting away in Halifax. Can the minister give the house a report on the situation and say whether or not these ships were paid for and whether they are still strike bound?

Mr. Speaker: Has the hon. member given notice of his question?

Mr. Badanai: Yes, Mr. Speaker.

[Mr. Speaker.]

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, this is a question that has been answered by my predecessor a number of times. The situation is always the same. The ships were sold. The payments have been made. Whatever happens to them is none of our concern.

Mr. Chevrier: It is none of your business, in your opinion. That is quite clear. Your predecessor felt that way also.

(Translation):

SHIPPING

ST. LAWRENCE RIVER—INQUIRY AS TO RESTRICTIONS ON COMMONWEALTH SHIPPING

On the orders of the day:

Mr. Martial Asselin (Charlevoix): Mr. Speaker, I should like to put a question to the Minister of Transport arising from the government's new policy with respect to shipping. Could the minister tell the house whether the east limit regarding the commonwealth shipping agreement will start at Les Escoumains or further east?

Hon. Lionel Chevrier (Laurier): On a point of order, Mr. Speaker. I asked a similar question yesterday during the debate on the bill to amend the Canada Shipping Act. Now, the acting speaker who was in the chair at that time did not allow the Minister of Transport (Mr. Balcer) to answer my question on the grounds that it was not relevant to the discussion. Consequently, I do not see why the minister should be permitted to answer the question put to him this morning by the hon. member for Charlevoix (Mr. Asselin), since the chairman of the committees stated yesterday that my question to the Minister of Transport was out of order.

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, yesterday we were discussing a bill to amend the Canada Shipping Act, and I feel that the chairman of the committees was perfectly right in stating that the question put by the hon. member for Laurier (Mr. Chevrier) was out of order; but we are not considering any particular bill at this time, and I fail to see how the question asked by the hon. member for Charlevoix could be out of order.

(Text):

Mr. Speaker: Perhaps the hon. member would repeat his question. I am not sure that I understand exactly what the point of order is.

(Translation):

Mr. Asselin: Mr. Speaker, here is my question. I wish to ask the Minister of Transport whether he could indicate to the house

whether the eastern limit to the restriction regarding the commonwealth shipping agreement will start at Les Escoumains or farther to the east.

May I add that I did not have occasion yesterday to put this question to the minister, and I feel I should have the privilege, on the orders of the day, to ask him this question in the interest of the house.

(Text):

Mr. Chevrier: Mr. Speaker, perhaps I may be allowed to intervene. In the first place I do not think there is any more urgency to this question today than there was yesterday. Yesterday when there was a discussion of the Canada Shipping Act I was prevented from asking a question which was along the same lines as this one, dealing with the limits of the coastal trade for this country. The ruling was that I was out of order. It seems to me that this is exactly the same kind of question; therefore the minister, particularly when he himself says the policy will not be announced until the regulations are enacted toward the end of the session, should not be in a position to give one hon. member information which has been refused to another hon. member.

Mr. Speaker: The question that arises today, of course, is whether the oral question is appropriate to be asked, in accordance with our practice, at this time. The question yesterday, I take it, was whether what was being asked by the hon. member for Laurier was relevant to the bill under discussion.

It seems to me that the inquiry is not one of urgency or of the type that should take the time of the house on the orders of the day and might better be put on the order paper, because it asks a question as to a continuing state of affairs, that is, a defined boundary—if I understand the question correctly—which will have some effect on the coastal shipping trade.

If I am in error about that and there is some immediate significance, perhaps the hon. member for Charlevoix will tell me.

(Translation):

Mr. Asselin: Mr. Speaker, the Minister of Transport had announced to the house that a restriction would be placed at Les Escoumains, and several hon. members have asked the minister whether the limit could be extended farther to the east.

I think it is in order to ask the minister, on the orders of the day, whether this policy could be corrected in the interest not only of the house but of all those who will be building boats or ships, and whether this will apply when the new formula for aid to shipping is announced by the government.

(Text):

Mr. Speaker: Would the hon. member answer this question to help me. Is the extension which he is suggesting an extension of the boundary as defined in the Canada Shipping Act which was before the house yesterday?

Some hon. Members: No.

Mr. Speaker: If it is not, I think the question might be permitted.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I rise on a point of order. The hon. gentleman has asked a question about something that is purely hypothetical. The minister told us a day or two ago in the house that he was going to engage in discussions with commonwealth countries regarding some change to be made in the existing law with respect to coastal trade. These changes have not been made, and the minister has told us the discussions have not even taken place. Surely, a question about some hypothetical matter, which may arise some time in the future, should be ruled out of order, as has happened over and over again.

Mr. Balcer: Mr. Speaker, on the point of order, I should not like my hon. friend to leave the impression on the record that what was brought to the attention of the house the other day, as far as this new shipping policy was concerned, was strictly hypothetical. That was a firm declaration of policy of the government. The only thing remaining to be done, as I said in my statement, is the completion of the drafting of the regulations according to that policy outlined in my statement. I made it very clear that the government definitely intended to contact the other governments of the commonwealth to declare our definite intention to partially withdraw from the commonwealth shipping agreement along the lines of article 25. At that time I stated that Les Escoumains would be the most eastern limit of this restriction

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

An hon. Member: Sit down.

Mr. Speaker: Order.

Mr. Chevrier: The minister is now—

Mr. Speaker: Order. Will the hon. member resume his seat? The minister is discussing a point of order. If he goes beyond that I shall—

Mr. Chevrier: No, sir, he is not discussing the point of order.

Mr. Speaker: Order. As I understand it, he is indicating what the situation is with respect to the question asked, and indicating that—

Mr. Chevrier: I rise on a point of order, sir.

An hon. Member: Wait until Mr. Speaker sits down.

Mr. Speaker: Order. I am sorry, but the hon. member cannot interpose another point of order on a point of order.

Mr. Chevrier: The minister is making a reply to a question which Your Honour ruled was—

Mr. Speaker: Order. Perhaps the easiest way of—

Mr. Harkness: You are not running this house.

Mr. Chevrier: Neither are you.

Mr. Speaker: Order. Perhaps the minister is getting very near to replying to the question, but I think—

Mr. Chevrier: He is replying.

Mr. Speaker: Order. I have already ruled that I felt the question should be proceeded with. I did so as the hon. member for Bonavista-Twillingate presented another view. It seems to me that this question is not hypothetical, but is very similar to other questions which are asked in an attempt to press for the establishment of policy. I think the simple course to follow is to allow the minister to complete the answer to the question.

Mr. Balcer: Mr. Speaker, in answer to the question put by the hon. member for Charlevoix, I wish to correct something I said in that statement made on Friday. Instead of Les Escoumains being the eastern-most limit of this restriction it will be a line from cap des Rosiers, to West Point on Anticosti island, from there to the north shore along the 63rd parallel longitude west.

Mr. Chevrier: Mr. Speaker, I rise on a point of order. The hon. member for Charlevoix stated that the question he posed had nothing to do with the discussion which took place yesterday. That hon. member was not in the house during that discussion and therefore could not know what the discussion was.

Mr. Balcer: That does not matter.

Mr. Churchill: The hon. member could have read *Hansard*.

Mr. Chevrier: Mr. Speaker, I say to you now that the question which the hon. member posed has everything to do with the bill which was under discussion yesterday; because the minister, in explanation of the bill, gave a definition first in respect of inland waters, and then in respect of home waters. In so far as the inland waters are concerned, he declared what the easterly limit was. Therefore there should not have been, I submit with respect, any urgency in putting that question. The hon. member for Charlevoix is now obtaining from the minister information which I was prevented from obtaining during the discussion of the bill, and that is why I suggest my point is well taken. It is unfair that one member of this house be refused information which another member can obtain during orders of the day.

Mr. Speaker: Order. The hon. member is free to ask a supplementary question if he feels the information is incomplete. I have ruled that it is relevant to ask the question at this particular time. I did so on the basis of the information which I had, and that is all I could go on. The question has now been answered, and should the hon. member feel there is further information which he was refused, he is entitled to ask a supplementary question.

DOMINION-PROVINCIAL RELATIONS

INQUIRY AS TO CHANGES IN TAX-SHARING ARRANGEMENTS

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I should like to ask the Minister of Finance on his birthday whether the government has completed its discussions with the provincial governments with respect to the proposed federal-provincial tax-sharing arrangements for the period beginning March 31, 1962, and when the government expects to be in a position to introduce legislation in this regard.

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, following the last stage of the plenary conference there were two meetings of the continuing committee of officials. Those meetings were held at intervals; the second was quite lengthy, lasting the better part of a week here in Ottawa. A number of technical aspects of various problems were thoroughly reviewed, and there may be occasion for further exchanges.

As to the legislation, it has been the declared wish of the government throughout this period to introduce such legislation at the present session.

Mr. Pickersgill: Mr. Speaker, I should like to ask a supplementary question. Does the minister expect to be in a position to introduce this legislation before presentation of the budget?

Mr. Fleming (Eglinton): Mr. Speaker, I do not think the two matters have any relation to each other. The order in which business is introduced in the house must be governed by proper consideration and arrangement of the business to facilitate its transaction by hon. members.

COMBINES

QUEBEC—STUDY OF PROCEEDINGS OF SALVAS INQUIRY

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to ask the Minister of Justice whether the combines investigation branch has any investigators studying the proceedings before the Salvas judicial inquiry in Quebec with a view to determining whether collusion could have taken place, which would give our own combines investigation branch cause for action?

Hon. E. D. Fulton (Minister of Justice): Mr. Speaker, the answer is no, so far as I know. This is a political inquiry, and we certainly should not like to take any official cognizance until at least such time as an official report is made. We do not wish to mix in politics in the province of Quebec.

HOUSING

C.M.H.C. MORTGAGES—INQUIRY AS TO DISPOSAL AT DISCOUNT

On the orders of the day:

Mr. J. R. Garland (Nipissing): Mr. Speaker, I should like to direct a question to the Minister of Public Works. What assurance can the minister give this house that Central Mortgage and Housing Corporation held mortgages will not be unloaded at a discount comparable to the financial featherbedding given to lending institutions in respect of the conversion loans?

Mr. Speaker: Order. I do not think the hon. member's question should be allowed because of the interposition of an argumentative statement in respect of featherbedding in other circumstances.

Mr. Fleming (Eglinton): It is a very untrue statement as well.

Mr. Speaker: Order. If the hon. member has a question regarding the sale of the mortgages, that will be in order. If the hon. member is seeking information in respect of the subject he is entitled to do so.

Mr. Garland: Mr. Speaker, I was attempting to follow the precedent established by the Prime Minister this morning.

Hon. Paul Hellyer (Trinity): Mr. Speaker, I should like to ask a question of the Minister of Public Works regarding the same subject. Can the minister tell us whether there will be any reserve bid in respect to the $15 million worth of mortgages to be offered in the next few days?

Hon. D. J. Walker (Minister of Public Works): Mr. Speaker, I have outlined to this house the regulations in this regard, and suggest that they speak for themselves.

TRADE

CHINA—CONVEYANCE OF GRAIN IN CANADIAN SHIPS

On the orders of the day:

Mr. Hubert Badanai (Fort William): Mr. Speaker, I wish to direct a question to the Minister of Agriculture. On May 8, 1961 I directed the following question to the minister, as reported at page 4503 of *Hansard* for that day:

> Arising out of the wheat deal with red China, can the minister indicate to the house whether any of the 276 million bushels of wheat and barley will be carried to China in Canadian ships?

The minister's parliamentary secretary took the question as notice. I wonder whether the minister is now in a position to answer that question.

Hon. Alvin Hamilton (Minister of Agriculture): The cost of ocean freight is borne by the buyer and thereby the option of securing ships is left to the buyer. We have no information here as to the ships involved and their country of origin.

Mr. Badanai: A supplementary question. Can the minister say whether any of those shipments will be made from the lakeheads?

Mr. Hamilton (Qu'Appelle): I mentioned in the house, I believe on May 2, that approximately 300,000 tons will be coming out of the eastern ports. Subject to correction, I believe that the bulk of this will be coming directly from the lakehead.

FISHERIES

NOVA SCOTIA—REQUEST FOR EXTENSION OF LOBSTER FISHING SEASON

On the orders of the day:

Mr. Clement O'Leary (Antigonish-Guysborough): Mr. Speaker, I should like to direct a question to the Minister of Fisheries. In view of the request received from the lobster fishermen of district No. 5 in Nova Scotia for an extension of their fishing season to June 30 to partly compensate for the inconveniences, delays and losses incurred during

April, will the minister indicate whether his department is giving consideration to meeting this request?

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, my department and I are very much aware of the frustrating conditions that the lobster fishermen in the maritime provinces are operating under at the present time, since they are still being hampered by ice. However, no decision has yet been taken with regard to any possibility of extending the season in district 5, as there are a number of factors to be considered as time goes on; but the whole situation is under very careful scrutiny.

BUSINESS OF THE HOUSE

FISHERIES—INQUIRY AS TO LEGISLATION THIS SESSION

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): I wonder whether I may also put a question to the Minister of Fisheries. Has the government under contemplation any legislation for the fisheries comparable with the act for the rehabilitation of agricultural lands and the development of rural areas in Canada?

Hon. J. A. MacLean (Minister of Fisheries): If the hon. member carefully reads the bill I think he will find that there are sections in it which apply to individuals who are employed part time in the fisheries.

Mr. Pickersgill: May I ask the minister a supplementary question for clarification. There is no legislation under contemplation that would be applied specifically to the fisheries?

Mr. MacLean (Queens): Not during this session at least, Mr. Speaker.

UNEMPLOYMENT INSURANCE

INQUIRY AS TO REPLENISHMENT OF FUND

On the orders of the day:

Mr. W. H. McMillan (Welland): Mr. Speaker, I should like to direct a question to the Minister of Labour. Will the government announce before Monday next how and when it proposes to replenish the unemployment insurance fund?

Hon. Michael Starr (Minister of Labour): I do not know why the hon. member wants this announcement before Monday next. Government policy is announced when it is ready.

[Mr. O'Leary.]

Hon. Paul Martin (Essex East): In view of the fact that in the four areas where by-elections are to take place there are many thousands unemployed, does the minister not think—

Some hon. Members: Order.

Mr. Speaker: Order. The hon. member does not appear to me to be asking a question. It seems to me he was making a speech about what the government should do before Monday next.

Mr. Martin (Essex East): May I put my question?

Mr. Starr: Four Liberals will be unemployed after Monday.

Mr. Martin (Essex East): In view of those by-elections, does the minister not think that the people in those areas are entitled to know what is the government policy in regard to this fund, which has reached such a parlous state?

Mr. Fleming (Eglinton): It is the Liberal party that has reached the perilous state.

Mr. Martin (Essex East): The minister does not wish to answer?

CRIMINAL CODE

REVISION OF PROVISIONS RESPECTING DEATH PENALTY

Hon. E. D. Fulton (Minister of Justice) moved the second reading of Bill No. C-92, to amend the Criminal Code (capital murder).

He said: Mr. Speaker, only on rare occasions is this house required to consider and amend or change laws or institutions that form part of the very foundation of our society. Such a task is to be undertaken today in the form of consideration of the advisability of amending the criminal law affecting the most heinous of crimes, murder. The bill now presented to the house represents the most progressive and far-reaching move in this field in Canada since we did away with public hanging. It may be remembered as a matter of interest that the last known case of such a hanging was the execution of the assassin of a former member of this house.

Before presenting an outline of the bill being introduced by the government, it may be helpful if I review briefly some of the history of the developments in the law on capital punishment in England, the United States and Canada, and give a general outline of the position taken by this government in its approach to the current problem in this country.

In the matter of capital punishment the criminal law of England, which of course we

inherited, has come a long way from its one-time harshness. It has been mentioned many times that 72,000 persons were executed for crime during the 38 years of the reign of Henry VIII. Tresham Lever, in his book, "The Life and Times of Sir Robert Peel", says that when Peel became home secretary there were more than 200 offences legally punishable with death.

> A pickpocket, apprehended in the act, could, under the criminal law of England, suffer death for his crime; ... to cut down a tree, steal a fish ... exposed one to the same punishment. Needless to say, the extreme penalty was seldom, if ever, exacted in cases of this sort, and the law was brought into contempt by juries refusing to convict on the plainest evidence of guilt.

The efforts of reformers such as Sir Samuel Romilly and Sir James Mackintosh to mitigate this formal severity were not very successful. Romilly did succeed in bringing about the repeal of two statutes of Elizabeth, one making it a capital offence to pick a person's pocket and the other making it a capital offence for a soldier or sailor to beg without a permit from his commanding officer or a local magistrate.

Professor Reckless in his book "Criminal Behaviour" points out that by 1839 a thousand bankers had softened enough to sign a petition presented to the House of Commons asking that the death penalty be eliminated as the punishment for forgery, but others have suggested that this was prompted less by any feeling of humanity than by the fact that juries were refusing to convict.

In 1866 a royal commission considered the abolition of capital punishment and recommended that there be two degrees of murder. This was not implemented by legislation, but in 1868 public executions were abolished by statute. It had been found that their effect was exactly the opposite of what was intended. Instead of being occasions of awful solemnity, they had become scenes of public debauchery.

Although bills were considered in the British House of Commons on matters relating to capital punishment in 1872, they were not passed. In 1931 a special committee was set up:

> To consider the question of capital punishment in cases tried by civil courts in times of peace, and to report whether another penalty and if so of what nature should be substituted for the sentence of death in such cases where the sentence of death is now prescribed by law.

This committee proposed legislation to abolish the death penalty during an experimental period and also that, pending legislative action, there should be commutation in all cases. This committee's report was not acted on. In 1948 a member of the British House of Commons, Mr. Silverman, introduced an abolitionist bill. Clause 1 of the bill sought to suspend the death penalty for a period of five years. The bill was passed by the House of Commons but was overwhelmingly defeated by the House of Lords. The House of Commons then proposed a substitute for clause 1 to restrict the death penalty to five enumerated kinds of murder, the sentence in other cases to be imprisonment for life. This also was voted down by the House of Lords.

During the debate on the Silverman bill all sentences of death were commuted. As a result, in the weeks between April 16 and June 10, 1948, according to the royal commission on capital punishment known as the Gowers commission, "14 capital sentences were commuted and it is understood that in some ten of these cases reprieve probably would not have been granted in ordinary circumstances", report, pages 326-7. At the conclusion of the debate, the law on capital punishment remained in the position in which it stood prior to the bill, and the moratorium on hanging was lifted.

In 1949 the royal commission on capital punishment headed by Sir Ernest Gowers was set up having as its terms of reference:

> —to consider and report whether liability under the criminal law in Great Britain to suffer capital punishment for murder should be limited or modified and, if so, to what extent and by what means, for how long and under what conditions persons who would otherwise have been liable to suffer capital punishment should be detained, and what changes in the existing law and the prison system would be required; and to inquire into and take account of the position in those countries whose experience and practice may throw light on these questions.

Its report was presented to parliament in the month of September of 1953, and it constitutes the most complete analysis of the question in modern times. The commission concluded that murder should not be redefined nor divided into degrees. It recommended against the proposal "that the judge should be empowered to substitute a lesser sentence for the sentence of death when a person is convicted of murder". The commissioners came to the conclusion, as reported in paragraph 551 of their report:

> ... that they would entrust to the jury, besides their primary and established functions of deciding whether an accused person charged with murder is guilty or innocent, the additional function of deciding, if he is guilty, whether a lesser punishment should be inflicted in lieu of the penalty of death.

In 1957 after further consideration the parliament of Great Britain passed an act entitled "The Homicide Act, 1957". This act adopted the approach of dividing murder into two classes, those which carry the death penalty and those for which the penalty is life imprisonment. The division, however, is based rather on the method or weapon by

which the killing is accomplished, or in certain cases upon the person or class of person killed rather than on the nature and circumstances of the crime itself.

This has produced some arbitrary and rather unsatisfactory results. Thus, if a person kills another by shooting he is liable to the death penalty, whereas if he strangles or clubs him to death he may avoid that penalty although the latter crime may be more callous, brutal or premeditated than the former. We have sought to avoid this kind of result in making our division, as to the basis for which I shall have more to say later.

In the United States of America the application of the death penalty is, again according to the summary contained in the Gowers commission report, paragraphs 515 and 517, "limited by two methods, employed either separately or more often in combination. The first is the establishment of two or more degrees of murder; the second is a discretion to mitigate the sentence, usually conferred on the jury but vested in the court when the accused pleads guilty. Degrees of murder have not been established in approximately ten states...the definition of murder in the first degree is always derived from the definition in the Pennsylvania statute of 1794 which includes murders perpetrated by means of poison, or by lying in wait, or by any other kind of wilful, deliberate and premeditated killing and committed in the perpetration or attempt to perpetrate any arson, rape, robbery or burglary. The second degree usually includes all other murders".

In Canada attempts to alter the death penalty for murder began at least as far back as 1914, when Mr. Robert Bickerdike introduced bills to abolish capital punishment in several sessions of the House of Commons beginning in that year. Although they were debated at length, none of them resulted in legislation. In 1924 Mr. William Irvine introduced a similar bill which also failed of passage. In 1937 a bill was introduced by Mr. Blair to provide that the sentence of death be executed in a lethal chamber rather than by hanging. This bill was referred to a special committee which reported unfavourably on the proposal. In 1947 and again in 1950 the Canadian institute of public opinion made two inquiries with almost identical results, 68 per cent in favour of retaining capital punishment against 23 per cent in favour of life imprisonment.

In 1950 and again in 1952 Mr. Ross Thatcher introduced a bill to abolish capital punishment. On the latter occasion he withdrew it on the undertaking from the then minister of justice that at the next session parliament would be asked to set up a committee to go into the matter fully.

The most authoritative recent exposition in Canada has been the report of the joint committee of the Senate and House of Commons on capital punishment, corporal punishment and lotteries which was set up pursuant to the undertaking referred to. This committee, which studied these matters for two years, in 1954 and 1955, recommended the retention of capital punishment, and in this respect the bill before the house meets the recommendation of the committee. The committee also recommended that there be no degrees of murder. In this respect the bill does not follow the recommendation of the joint committee.

The deep and continuing concern of hon. members with this subject is shown by the debates that took place both last year and this year on certain private members' bills. Although these debates took place on one bill only, a bill for the abolition of capital punishment for murder, the fact is that last year at least three bills were introduced all differing in their proposals. While these bills approached the subject from different directions, they did have in common an assumption of dissatisfaction with the present position and a desire to bring the law in this connection in closer conformity with present day concepts of crime and punishment.

I believe we owe much to the members who sponsored those bills, the hon. member for York-Scarborough (Mr. McGee), the hon. member for Burnaby-Richmond (Mr. Drysdale) and the hon. member for Vancouver East (Mr. Winch), quite apart from the question whether or not we agreed with their specific proposals. I believe the ensuing debate on this bill will be all the better for the thinking and formulation of ideas about this subject which those bills stimulated.

Although none of those bills was adopted, an analysis of the debates which took place, as well as discussions with those who did not participate, show quite clearly that the majority of members in the house favour retention of capital punishment. It became equally obvious, however, that even among those opposed to abolition there are serious misgivings as to the present law and practice governing the death penalty. It therefore seems proper and desirable to bring about some modification of that law and practice.

There is another thing which, in my submission, a review of these debates, as well as a study of all that has been said and written elsewhere, makes quite clear. It is that while the authorities are of some assistance and the debates have been of help, nevertheless this is an area where views are held with such depth of feeling that they are never going to be changed by mere weight of argument or

statistics. Indeed, on the question of the deterrent effect especially, statistics cannot give a satisfactory answer; there are no statistics of murders not committed. But as in the case of all such problems, there has to be some finality, responsibility has to be taken and a decision has to be made, and this the government has done.

We have accordingly approached the question on broad grounds. We have first been mindful of the fact that the criminal law must endeavour to translate into an enforceable code the highest concepts of the moral and legal standards by which society desires to be governed, while at the same time, since it must command respect if it is to achieve this purpose, it must broadly reflect the actual state of public opinion.

Second, we have taken account of the fact that the country, as reflected by opinion in this house, favours retention of capital punishment. Third, we have also recognized that even among those who favour retention there is a general feeling that the law should be modified. Finally, we have taken account of the feelings against the rather artificial division of murder into degrees based on the means by which it is committed or the class of person who is killed.

Thus while we have avoided the rather arbitrary and rigid classifications found in the British homicide act, we have put more emphasis on the element of deliberation as the requisite for capital murder than has been the case generally in the United States. We have also provided for an automatic review by the court of appeal, and for an appeal as of right to the Supreme Court of Canada. In short, we have applied our own thinking to the mass of authority and opinion available, and have produced a bill which represents our views of the kind of law by which Canadians would wish to be and should be governed. On this broad basis we take full responsibility for presenting this bill to the house.

Before coming to an outline of the bill itself I should say one other word about the decision to retain capital punishment. This decision does not rest on any one or narrow ground. With regard to the argument in favour of deterrent effect, the Gowers commission on capital punishment in the United Kingdom, which has been described as "the richest source of information, factual as well as impressionistic" on this subject, expressed the view "that there is some evidence, though no convincing statistical evidence, that the penalty of death is likely to have a stronger effect as a deterrent to normal human beings than any other form of punishment". That statement may be found in paragraph 68 of the report of that commission.

Whatever strength or validity be ascribed to this view—and there is surely much to be said for it—is available therefore in support of this bill which retains capital punishment for a planned and deliberate murder or a murder committed in the course of a crime which generally speaking involves wilfulness or premeditation taken in the broad sense of those words.

But the general base on which it rests in so far as concerns the retention of capital punishment for deliberate murder, is this: That society requires for its preservation and protection that certain laws be observed. The whole basis of society, in the sense of any ordered form of life, would dissolve and chaos would reign if we did not have laws embodying that code of conduct by which, collectively, we say we desire to live. And because we live in an imperfect world, these laws require sanctions. Now, there are laws or rules of conduct of greater or lesser importance; therefore there are and must be sanctions of greater or lesser degree. But whatever be the sanction it is not a matter of retribution or revenge: It is an integral and essential element necessary to ensure the moral as well as the material vigour of the system of laws of which it is a part. If there is no sanction, the law ceases to have any effect.

Society's concern for its basic rules is expressed in its commands and corresponding sanctions that together constitute our criminal law. The degree of society's concern with respect to individual rules is reflected in the method of expression adopted.

In this sense, therefore, the sanction for the law against murder may properly reflect the importance which society attaches to the maintenance of that law. In our view, Canadians properly attach so high a value to the sanctity of human life that the law which translates this feeling into effective form should provide the maximum sanction for its deliberate breach, and no other penalty would be considered adequate.

This, Mr. Speaker, is perhaps only another way of saying that this bill reflects the view that Canadians are not prepared to accept the abolition, as distinguished from the restriction, of the death penalty. But it also reflects the feeling that it is not appropriate that the death penalty should be applicable automatically to every case of murder.

In carrying out the delicate but important task of bringing the law into line with our convictions in this field, we have concentrated our attention on producing a system which represents a rational and logical application of those principles of law upon which I have touched. We have accordingly started on the

basis that there are two broad types of killing. The first is where the death does not result from any act of deliberation on the part of the person causing it but can be said to be impulsive or non-deliberate, in the sense of being in no way within the prior contemplation of that person. It is our view that the death penalty ought not to be the consequence in these cases, and accordingly although the crime may be murder, it is classed as non-capital and a sentence of life imprisonment only is provided.

The other type of killing is the case where death is caused deliberately or as the result of a planned act of the person causing it. All these cases are classed as capital murder and for these cases, but for these cases only, the sentence of death will follow automatically on conviction.

This type of case should, in our view, include two categories. The first is the case where the death results as a deliberate and planned end in itself. A killing was intended; the death penalty is automatically invoked. The second is the category in which, although a killing itself may not have been consciously and initially planned, yet the course of action embarked upon or planned had within it such an element of criminality and violence, as well as of deliberation or stealth, that the killing must properly be regarded as deliberate by the person who did it or who counselled or procured the doing of the act which caused it. This type of killing then, is also made to fall within the category of capital murder.

A very important and forward move is embodied in and results from this approach, with respect to the position of the accomplice. One of the very difficult and almost insoluble dilemmas with which juries and indeed the courts themselves have been confronted under the present law is that where two or more persons embark upon a joint criminal venture in the course of which one of them kills, the other or others, even though having had no direct or indirect participation in the precise act which caused the death, yet in law are guilty of murder and if convicted are automatically sentenced to death.

In our view no person, unless he actually causes a death or counsels or procures the act which causes it, should be liable to forfeit his own life. Accordingly this bill is so framed that the accomplice who did not actually cause the death, or counsel or procure the very act which caused the death, may still be found guilty of murder, but only of non-capital murder.

The house will appreciate that these results are accomplished without any disturbance of the existing law or jurisprudence which define homicide and murder and which define liability in the case of the accomplice or the aider and abettor. The fact that it was homicide, that the homicide was culpable and that it was a culpable homicide constituting murder will all have to be established under the same provisions as are now applicable.

In other words, the killing will have to be shown to constitute murder. Only then, by this bill, the important and essential question is made to arise; is it capital murder or non-capital murder? By this bill the answer to that question is made to depend on the answer to another question; was the killing planned and deliberate or was it done in the course of committing another crime of a nature which the law holds to be such that it imports into the killing the element of deliberation? If the answer to that question is yes, then the murder is capital and the penalty is death; if the answer is no, the murder is non-capital and the penalty is life imprisonment.

It will also be appreciated that these questions are questions for the jury. But before the issue can arise at all the crown will have to decide whether it considers that the elements of capital murder are there; that is, whether the killing was planned and deliberate, and whether the crown can prove this. For the bill provides that if the accused is to be tried for capital murder he must be so charged in the indictment, and only if he is so charged can he be convicted of capital murder. If he is so charged, the jury may still decide that capital murder has not been proven and convict him of non-capital murder. They cannot convict of capital murder on a charge of non-capital murder.

So the onus is first on the crown to decide whether to charge capital or non-capital murder, and to prove the charge. On a charge of capital murder, then, it will be open to the jury to decide that the charge is proven and to convict accordingly, or to decide that it is non-capital murder and convict of that; or to decide, as they can now, that murder itself is not proved and in such case to convict of manslaughter or to acquit.

Juries, and indeed the whole administration of this branch of the criminal law will, I believe, be immeasurably assisted by this new approach. For whereas up to now juries have had to reach their verdict under the awful burden of knowledge that if they found the killing to be murder at all, then no matter what the extenuating circumstances might be the sentence of death was automatic; from now on they will know that the law itself takes formal account of the thousand and one different combinations of circumstances that may lead to or from the background of any such event which brings an accused before them on a charge of murder. It will only be

if they his peers consider, after hearing all the evidence, that his crime of murder was planned and deliberate that they will convict him accordingly. If they do not so consider, or if they find that he did not commit the murder in the course of committing another crime which makes the killing in effect a planned and deliberate one, they may still convict him of murder if murder is proven, in the sure knowledge that he will not then be liable to the penalty which society itself feels should only be exacted for the most calculated and deliberate defiance of society's basic law.

Everyone who thinks about and discusses these matters is aware that juries have found it difficult almost to the point of impossibility to bring in a verdict of guilty where they know that, having regard to human feelings, human motives and human emotions, the death penalty would be unjust. In the result, the verdict is sometimes manslaughter although the facts are patently at variance with the verdict; or if a verdict of murder is brought in it is followed by such deep remorse or revulsion as to constitute a danger to the very jury system itself.

There are one or two other features of the bill which deserve special mention as matters of principle. The first is the automatic review by the court of appeal in the case where the death penalty has been imposed. This is another recognition of the desire of society to see an accused surrounded with every proper protection and to ensure that never can it be said that anyone met his death at the hands of the law for lack of funds. It is also a recognition of the fact that although to err is human, when a man is on trial for his life whatever precautions can be taken to avoid, or to correct, possible judicial or other error must be taken.

Next, we have provided as a new feature that wherever a verdict of guilty of capital murder has been rendered, the jury shall be asked if it has any recommendation to make. This is in recognition of the fact that there is an infinite variety of circumstances forming the background of motivation for human conduct, and many degrees of personal responsibility for and ability to control and answer for individual acts. It may well be, therefore, that although an accused was guilty of a deliberate killing, and did not come technically within one of the defences of provocation or insanity, the jury will still feel that the background of the case, or the circumstances of the accused's personality or mentality, were such that a recommendation should be made.

The provision will have another important result. At present judges and juries take differing views of the right of a jury to make any recommendation after verdict, the code being silent on the point. There have been some judges who have discouraged juries from making a recommendation, and jurymen have been known to say afterwards that if they had known they might make a recommendation they would certainly have done so. In the light of the seriousness that must inevitably attach to such a recommendation it seems to be essential that there should be a uniform practice regarding it, and we have provided one accordingly.

It is obvious from the form of question we have devised to be put to the jury at this stage, that there will be an important connection between the views of the jury in this regard and the system of executive review of cases where the death penalty has been imposed, upon which the exercise of mercy is based. The bill makes no change in that system, which we intend should be preserved.

I should like to emphasize only two things about that system, which I think have been misunderstood. The first is that it does not constitute any sort of review or reversal of the jury's verdict or the judge's sentence. The trial is over, and jury and judge have rendered their verdict and pronounced sentence as provided by law. But now that same law says to the cabinet, you now have the duty of examining all aspects of the case, including those that may not have been before the court, to see whether for any reason clemency should be shown, or whether the sentence in this case should be carried out.

The other feature is this. Although the making or withholding of a recommendation is and will continue to be of very real import, the discretion of the executive as to the advice it tenders to His Excellency is unfettered. It is not a question of determining again the guilt or innocence of the condemned man according to law; it is a system in which the law imposes upon the cabinet at the ultimate stage the duty of determining whether in this individual case the law should take its course. It is a solemn and an extremely difficult task, but it is a feature of our system which gives assurance of the preservation of an essential feature of any system of justice: that it shall be tempered with mercy.

We submit this bill, then, Mr. Speaker, in the belief that the protection of society demands that one who deliberately commits murder should be liable to the death penalty, and that this reflects the views and demands

of Canadian society. It reflects also our belief that the law should not provide the death penalty for every murder, but only for those which have about them the element of deliberation; and we believe that this also reflects the proper judgment and demand of our society.

Finally, we present it in the conviction that in its merciful and progressive provision of an age limit below which no one shall be executed, and of an automatic review by an appeal tribunal to remove so far as possible the element of human or judicial error, together with its other progressive features, it represents a proper reconciliation between the necessity for the protection of the lives of decent and law-abiding citizens on the one hand, and the desire of a Christian and civilized society to see justice tempered with mercy and forbearance on the other. On this basis we submit it for the approval of the house.

(Translation):

Mr. J. P. Deschatelets (Maisonneuve-Rosemont): Mr. Speaker, I am sure that all hon. members listened with great interest to the statement of the Minister of Justice (Mr. Fulton).

Right at the beginning of his remarks, the minister reminded us that only on rare occasions is the house required to consider such a significant bill as it affects the very life of the citizen. It was, indeed, from that point of view that last Saturday I asked, or rather tried to ask the Prime Minister (Mr. Diefenbaker) whether hon. members opposite would take an entirely personal attitude in the discussion of this bill, discounting all political considerations as party members, as we were invited to do last year, when a similar bill was discussed.

As far as I am concerned, the remarks I shall make are of a strictly personal order and I trust that hon. members opposite will do the same, so that our fellow citizens will know our remarks and the vote we will cast as the expression of our own personal opinion.

Mr. Speaker, since 1957 there have been, I think, in Canada about ten executions following a death sentence pronounced by our courts, whereas in 39 other cases, where the indicted person had been condemned to death, the royal mercy was exercised to commute the sentence. Such a situation was obviously unusual. And last year, when I expressed my views on a bill which is somehow connected with the subject, I said that we had now in Canada a partial abolition of capital punishment because of a massive commutation of sentences, for I think that, after initiating such course in numerous cases, the cabinet can hardly refuse the commutation of his sentence to any individual in a case where a crime had been committed under similar circumstances. It is therefore high time for the government to adopt a definite position and assume its responsibilities by submitting a bill to regularize a situation which the government iself created.

Bill C-92 provides in the definition of murder various degrees of guilt and punishment. We shall have an opportunity of fully discussing the bill in committee. It may be that several members will, at that time, suggest significant amendments, because I must admit for my part that the terms of various sections of the bill do not seem quite clear to me, and, to my mind, some improvements might very well be suggested. However, as we are now on second reading, I shall at this time discuss the principle of the bill submitted by the government and the Minister of Justice.

But before doing so, I think it would be interesting to recall some recommendations contained in the report of the joint committee of the Senate and this house on capital punishment, which was submitted on June 27, 1956. And after having read some of those recommendations, we will see that the government took it upon itself to submit to us today various amendments which are the complete opposite of the committee's suggestions.

Section 95 on page 23 of the report deals with the recommendations of the committee.

One of those is the retention of capital punishment as mandatory penalty for murder.

Briefly here is what the committee had to say on that point. I am now quoting section 63 on page 16:

While the committee considered that capital punishment should be subjected to periodic review by parliament, it recommends that the death penalty should be retained as the mandatory punishment for the crime of murder.

We now come to the second recommendation. The definition of murder remains unchanged. Section 69, on page 17 of the report, reads as follows:

In practice, the committee considered that any redefinition of the crime of murder should conform closely to the present practice in commuting sentences of capital punishment. Having concluded that it is not practicable to achieve a satisfactory redefinition of murder, the committee also decided that differences between murders can only be recognized by granting commutation in suitable circumstances. Since differentiation in the crime of murder depends to a considerable extent upon the assessment of moral culpability of a crime,

the committee is of the opinion that the ends of justice are best served by the continuation of the present practice of mitigating the rigour of the law in appropriate cases by the exercise of executive clemency.

Several witnesses suggested that consideration might be given to the creation of degrees of murder which would take into account the difference in moral culpability between different types of homicides. All witnesses representing law-enforcement authorities opposed the establishment of degrees of murder. The committee shares the conclusions of the United Kingdom royal commission on this question. The committee is of the opinion that the present distinction between murder and manslaughter is quite clear and straightforward. It considers that any attempt to break murder down into degrees may lead to the creation of technical and confusing distinctions without, at the same time, creating any precise delineation between murders of differing degrees of moral culpability.

I should also like to refer to another section of these recommendations; it deals with the abolition of hanging and its replacement by electrocution or, as an alternative, by the gas chamber.

I refer to section 91 of that report, on page 21. Here is what the committee had to say:

The committee considered that one of the principal objections to hanging was that so much depended upon the personal competence of the hangman, leaving a greater margin for error than in the case of execution by electrocution or the gas chamber. It may be that a hanging, conducted efficiently and with proper facilities, may be accomplished more quickly and with less anguish to the condemned person than the other two methods of execution. The committee noted that, for this reason, the United Kingdom royal commission concluded that hanging should be retained. The evidence of medical witnesses and others, however, indicated that hangings in Canada were not conducted with the same degree of precision as in the United Kingdom and that there was no way of knowing, in some cases, how death was caused and whether loss of consciousness had been instantaneous. Examples of bungled hangings were brought to the committee's attention. Moreover, the committee sensed from the evidence given by experienced officials and others, that hanging was regarded generally as being an obsolete, if not a barbaric, method of execution. The committee has concluded, after weighing these considerations, that hanging is not the most satisfactory method of execution which might be employed and, accordingly, recommends its abolition.

Mr. Speaker, I certainly think this committee which sat for two sessions—I think it was in 1955 and 1956—and considered the recommendations and views of various experts on the matter, I even think the executioner was heard, submitted a worth-while report, based on a very thorough study of the technical aspects.

I therefore wonder why the various aspects of this bill run counter to the report of that committee. I wonder why the government has not seen fit to follow much more closely the recommendations in that report.

However, the government has taken the initiative and responsibility of this bill and now asks us to approve new definitions of the crime of murder. Thus this bill attempts to draw a distinction on the basis of premeditation, which will make the crime capital murder, whereas in cases where premeditation cannot be established, it will be non-capital murder.

After listening a moment ago to the Minister of Justice, I believe that we are now putting a heavy burden on the shoulders of the provincial attorneys general by leaving them with the responsibility of determining what a charge they will be called upon to lay against an accused.

As the minister pointed out, an indictment of non-capital murder is laid against an individual, and during the hearing of the case it becomes obvious that a capital murder is involved, it will then be impossible to convict that accused of a capital murder.

The case would be different if a charge of capital murder were laid and the evidence pointed to circumstances indicating that there had been no premeditation. Then if my assumption is right a verdict of non capital murder would be rendered.

I am under the impression that we are imposing quite a responsibility on the jury. I think that all those who have some court experience will agree—and experience points in that direction—that juries feel repugnance against the death penalty and are loath to make a decision which could send a man to his death. That is why in many instances in recent years, juries have rendered verdicts inconsistent with the evidence, simply because they felt reluctant to making such a decision—and this is a human reaction for men with no court experience—and did not want to assume responsibility for a decision which would have involved loss of life for one of their fellow men.

I would have hoped that this bill instead of giving the jury more responsibility would have reduced it. Last year in our debate on that matter, I expressed the opinion that in cases where human life is at stake, we should refer to a bench of three judges instead of a jury.

I definitely think that even though the principle of the bill is justified, the implementation of that piece of legislation by juries across the land will not do justice to it and that as a rule verdicts of non-capital murder will be returned.

Now, this distinction between a capital and a non-capital murder, based on premeditation, is a legal concept.

We are here in a very restricted field. I believe that the minister would admit, if he were to review the 39 cases in which the government saw fit to exercise the royal mercy, that in most of those cases, it was capital murder, where there was evidence of premeditation.

This bill is based on a distinction which is actually a legal concept. I wonder whether in practice, this bill will answer the purpose that the government had in mind in drafting it. Therefore, I ask the minister whether in his opinion—I shall take his word for it—in most of those 39 cases where royal mercy was exercised, there was an element of premeditation and whether those cases met the definition of capital murder contained in Bill C-92?

I feel the government intended to reserve capital punishment for the most odious and serious murders and to see that a life sentence be given in the other cases. Besides, that was the opinion I expressed last year.

I wonder if the terms of this bill lead us directly to the enactment of the underlying principle of this bill?

Up to now, the differentiation of responsibility in murder cases was quite clear and unequivocal about murder, as defined under section 202, and manslaughter. After reading and re-reading the terms of this bill, I feel that if we adopt this measure in its context, as it is submitted today, the bill might become a picnic for learned and clever lawyers. I think that, should the bill be adopted in its present form and context, it would mean, for all practical purposes, almost complete abolition of capital punishment in Canada.

Mr. Speaker, I hope you will allow me to deal very briefly with a question I asked about two weeks ago to the Minister of Justice, which was indirectly related to this bill.

The legislators' intention is and must be first of all to prevent crime, to make it more difficult to commit. The minister is aware that we asked him last year, and again this year, whether the government intended to introduce an amendment to the Criminal Code in order to establish an exceedingly strict control over the possession and use of firearms.

It is that use of firearms which today leads us directly to discussing the definition of murder, and I recognize that I am very sorry that the government never thought it worth while to submit in the current session, a bill which would make the ownership of firearms extremely difficult.

Today, people who have very bad police records may go about armed in our streets, and the minister knows, while experience proves, that penalties provided in those cases are extremely slight. I would hope that the government will soon submit legislation with regard to the possession of firearms, and I even expected that such a bill would have preceded the legislation we are now discussing, which deals with an amendment to clause 202 of the Criminal Code.

Incidentally, I want to congratulate the authorities of the province of Quebec, who, in nine cases out of ten this year, refused to renew firearms permits. I sincerely hope that the attorneys general of the other provinces will do the same and that, during the next session of parliament, some stricter legislation with regard to owning firearms will be submitted to us by the federal Minister of Justice.

Mr. Speaker, earlier I read a recommendation by the joint committee with regard to the method of execution, and I do not quite understand why the government did not today choose to carry out that recommendation which declared hanging an obsolete and barbarous method of execution.

The minister himself reminded us at the beginning of his remarks, that such questions are not submitted to parliament every day. I think it would have been wise to accept that recommendation. I submit that before we pass to the discussion of the articles of the bill in the committee of the whole, I think there is still time for the government to revise its attitude in this respect. Indeed, if I do not deceive myself, I do not think the minister mentioned the mode of execution nor did he tell us why the government is not ready to carry out such a serious recommendation which is the result of intensive study by experts who gave their help to the members of the joint committee.

And now, Mr. Speaker, let me say just a few words with regard to the absence of any provisions in the case of women. I do not know whether it is out of natural weakness—indeed I do not exactly know how to explain that attitude—but I would like to see women exempt from capital punishment and provision in the statutes for life imprisonment in the case of any woman having committed capital murder.

Women have been very rarely executed in Canada. As a matter of fact, for the past ten years or so, there has been no such execution, as far as I know. Indeed, experience has shown that murders committed by women were accompanied by very special circumstances, and even if the committee placed women on equal footing with men, with regard to capital punishment, I wonder whether, in the case of women, an exemption would not be in harmony with the view of society today. At any event, I do not believe that a woman is ever executed, except in quite unforeseen circumstances.

Mr. Chairman, I should also like the minister to explain the meaning of life imprisonment. When an individual has been sentenced to life imprisonment, will the rehabilitation board—

Mr. Fulton: —the parole board—

Mr. Deschatelets: —will the parole board be empowered to review these cases? I should be grateful to the minister for saying a few words on this point later.

Mr. Speaker, I should also like to make a few comments on clause 13 of this bill, but, before doing so, may I be permitted to read the clause in question:

> Where a jury finds an accused guilty of an offence punishable by death, the judge who presides at the trial shall, before discharging the jury, put to them the following question:
>
> You have found the accused guilty and the law requires that I now pronounce sentence of death against him (or "the law provides that he may be sentenced to death", as the case may be). Do you wish to make any recommendation as to whether or not he should be granted clemency. You are not required to make any recommendation, but if you do make a recommendation either in favour of clemency or against it, your recommendation will be included in the report that I am required to make of this case to the Minister of Justice and will be given due consideration.

I do not think that such a recommendation is practical. I said a moment ago that juries would naturally feel reluctant to convict a man of an offence punishable by death.

Well, when the jury has taken its responsibility and decided that it is, in its opinion, a capital murder, and when it has returned a verdict to that effect, I wonder why a judge should have to ask the jury whether or not it should recommend mercy towards the accused. I fail to see the use of such a recommendation and I think that it rather contradicts the definition of a capital murder.

One must be realistic in such matters. If the jury is given the clear evidence of a premeditated murder, in circumstances indicated in the bill now before us, why then ask that jury to recommend mercy?

Why not let another judicial body decide whether mercy could be exercised in such and such a case, depending upon the circumstances of the case?

I do hope that the minister will elaborate a little on this subject because I think that a responsibility is being placed upon the jury which it will not be able to refuse. A jury may return a verdict of guilty compelling the judge to pass death on the accused. This jury will not be ready to say: I am against recommending the accused to the mercy of the court. There is nothing logical nor practical in this situation; at least, I fail to see its practical meaning.

Now, Mr. Speaker, with such a bill, time only will tell whether it meets the intent of the government.

I should say that on the whole, this bill is legally justifiable, but in practice and I say that its enforcement will go far beyond the intent of the government.

The minister did not tell us whether the government had consulted the Canadian bar association before introducing this bill. In view of the importance it will have and the questions it should raise in the mind of every hon. member who will rise in this debate, I wonder whether it would not be wise, when the bill reaches a certain stage of the procedure, possibly after its consideration in committee, to put off its passing until another session in order to give the public time to reach a decision and to provide for bodies such as the Canadian Bar Association an opportunity to make their views known.

May I ask you to call it one o'clock, Mr. Speaker?

At one o'clock the house took recess.

(Text):

AFTER RECESS

The house resumed at 2.30 p.m.

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, the Minister of Justice has introduced today a most important bill. All bills, of course, are important, but this one is of particular importance because it concerns statutory provisions relating to the life or death or imprisonment for life of those charged with the most heinous, vicious crime of homicide.

Today, sir, in considering this legislation we are deciding whether the penalty for this crime shall be life imprisonment or death. I

know we all appreciate very much the introduction to this bill by the minister, and the pains he took to give us an historical background of the penal laws of the United Kingdom, the United States of America and Canada as they related to the crime of homicide and the penalty for it. I think we owe a debt of gratitude to the minister for having given us this historical background and for following it up with an explanation of the basis upon which the government arrived at certain conclusions in introducing Bill No. C-92 which is now before us.

I, sir, cannot completely agree with all the conclusions that have been reached by the minister as he expressed them this morning. Nor can I agree to any extent with the opinions expressed by the previous speaker, the hon. member for Maisonneuve-Rosemont. I noticed that both the Minister of Justice and the previous speaker made some reference to the findings and recommendations of the joint committee of the Senate and House of Commons which met for some two years. Any reference which I make to this joint committee will be to the record of information contained in the committee report and the transcript of evidence, some 1,665 pages, found in the two volumes I have on my desk at the moment.

May I say first of all, Mr. Speaker, that my own position is very well known. I have been interested in this question of capital punishment for some 25 years, and have reached certain conclusions. My decisions are not based on any emotionalism whatever. My decisions have been arrived at as a result of the fullest possible study I could make of everything on this subject in this country and throughout the world; a reading of the reports of royal commissions, parliamentary committees that have looked into the matter, and so on. Having concluded this study, I stand here this afternoon as I have on previous occasions, believing that the right thing to do is to abolish capital punishment. In saying that, sir, I do want to give credit to the Minister of Justice for having introduced Bill No. C-92, which is without doubt one of the first, and therefore one of the most progressive, approaches made toward this subject for many years.

In his interesting introduction to the bill this morning the minister, in my estimation, glossed over the information available throughout the world and the information available to the Senate and House of Commons joint committee as to whether capital punishment should be retained or abolished. I recognized what the Minister of Justice was doing, but I should like to carry on and perhaps exercise my right to oppose the conclusion to which he came.

This morning the minister told us we could not accept the position that capital punishment was not a deterrent because we had no way of knowing how many homicides had not been committed because there is capital punishment. This is an extraordinary approach, in my opinion. I believe what we have to go by is the record throughout the world, so far as it can be examined and understood, relating to whether or not capital punishment is a deterrent to homicide.

As a result of 25 years of study, but in particular as a result of the evidence that was submitted to the joint committee which met for a period of over two years, it is my definite opinion that capital punishment is not a deterrent to homicide. I would suggest to the hon. member a study of the evidence placed before that joint committee, which had the advantage of presentations and advice from experts around the world who are interested in this matter and to which was submitted evidence, which I maintain is conclusive, that a study of the states or the countries which have or which have not capital punishment does not give in any way whatsoever an indication, in the ratio of homicides, that the retention of capital punishment is a deterrent to homicide.

It is not my intention to go into detail. However, I would draw to the attention of hon. members of this house that there are some countries which retain capital punishment and which have a very high ratio of homicides per 100,000 of population, and that there are others which retain capital punishment and which have a very low ratio of homicides. From the figures given to us in that committee we find that in El Salvador the ratio of homicides is 44.3 per 100,000 population, while in the United Kingdom in the same year the ratio was 0.5.

We have those countries which abolished the death penalty, some of them almost 100 years ago. We find that some countries which abolished the death penalty have a high ratio of homicides, and we find that others which abolished the death penalty have a very low ratio of homicides. The one with the highest ratio we were given was Colombia with 15.9 homicides per 100,000 of population, as compared with the Netherlands with 0.4 and Norway with 0.5, a figure almost identical with that for the United Kingdom.

I could, of course mention other countries and their ratios. However, the point I want

to make is this, and the evidence is there for any who wants to read it. Whether a country is abolitionist or non-abolitionist, whether you have the death penalty or do not have it, the record of the world is that this fact does not have a relation to the rate of homicide of any comparative nature so that it can be differentiated as between the two policies.

I think perhaps one of the greatest comparative studies that can be made of this matter as a deterrent to homicide is with respect to those states in the United States which previously had capital punishment and then went to the abolition of capital punishment. Some stayed in that position, but some went back to capital punishment. I submit that from a study of that situation where they had it, got rid of it and went back to it; or had it, abolished it and did not go back to it, the ratio of differentiation between having it and not having it shows that the death penalty is not a deterrent to homicide.

I have often received letters and in previous sessions have often heard members speak in this house to this effect, saying that we must retain capital punishment or the death sentence because it is a protection for the police forces. In my opinion, Mr. Speaker, only one factual study in the world has ever been made on this matter. I spoke about it, I believe either at the last session or the one previous. I refer to the study made in the United States by one of the top penologists of the world, using all his upper graduates. They made an investigation of every city of over 10,000 in the United States over a period of years. What was the answer? The answer was—and it was sent to our joint committee—that they could not find any comparable differentiation whether or not capital punishment was the law of the state, or that it made any difference with regard to the number of policemen who were killed. The ratio was almost identical, going up or down.

If any evidence could be produced in any manner whatsoever which would show that capital punishment is a deterrent to homicide or is a protection of our police forces, that would be good and solid ground for the retention by Canada of the death penalty for homicide. However, I submit that the record in all aspects in the United States, in varying states, and throughout the world does not demonstrate the correctness of either of those two arguments.

If therefore my contention and my analysis are correct, then why should we retain in any way whatsoever the death penalty? It can only be from prejudice, revenge, or the Mosaic law which demands an eye for an eye, a tooth for a tooth and a life for a life. Certainly in Canada in this modern age, in a Christian country, any argument based on prejudice, revenge or the Mosaic law is not something which we should consider in deciding whether to retain or abolish the death penalty.

As I have said, Mr. Speaker, I have been interested in this subject for some 25 years. I venture to say that I have received more letters of commendation and condemnation than perhaps most other members. Those who oppose the abolition of the death penalty have one great argument, namely that because of the suffering of the relatives and friends of the victim, there should be suffering by the relatives and friends of the one who committed that homicide. You would be amazed, Mr. Speaker, if you knew how many letters I have received to that effect over this period of years.

Of course we all recognize the agonizing moments and the suffering of the relatives and friends of the victim of a homicide, and we sympathize with them. They are completely innocent; but they are made the victims because of the aberration, the impulse or the viciousness of somebody who committed murder. However, Mr. Speaker, they are innocent victims. I fail to understand why other innocent people, the relatives and friends of the one who committed the murder, should also suffer. I fail to understand why it is a reasonable answer that they too must suffer. Surely we have a more Christian, more idealistic, more scientific approach than that.

I have read Bill No. C-92, which is now before us, very carefully. I have noticed the emphasis placed by the minister on the differentiation between premeditated murder, which will carry the death penalty, and homicide committed as a result of emotion or impulse, which will be non-capital murder. The reason I mention this is because of the interest of the Prime Minister in this matter, as is shown by his presence here at this moment.

I admit that my interest is strictly academic, upon which I am going to speak only briefly. However, when I listened to the Minister of Justice speak about premeditated murder I could not help thinking, is it not also premeditated murder to sentence a man to death and carry out that sentence? I suppose the differentiation is that one is the murder of an individual and the other is death by order of society.

Of course I understand this differentiation, but basically is it justifiable? Is it justifiable to say that society can murder but an individual cannot? As I have said, it is just a question of academic interest, but I raise this matter also because the Prime Minister is here and has shown his interest in these matters by initiating the bill of rights. In

the bill of rights there is the principle that no one in Canada shall suffer agonizing torture. I wonder whether hon. members realize the agonizing torture endured by a man who has been sentenced to death and who knows he is going to be executed. I have met and spoken to men in the death cell, and there certainly is agonizing torture on their part. They know their days are coming to an end. However, as I pointed out, these are questions of only academic concern, but I say they are of academic interest. That is all I am going to say about that aspect of the matter.

I do wish to now raise something which was not mentioned by the Minister of Justice or the previous speaker, the hon. member for Maisonneuve-Rosemont. I refer to the fact that death is irrevocable. Why do we in Canada and in this government take the position that we are absolutely infallible, that we cannot make mistakes? I know the record is that we do not know whether or not we have ever made a mistake, but that is because nobody has had an interest in finding out whether a man was innocent after he was dead. I was most interested about two weeks ago in watching the rebroadcast of a half hour television program that was made in the United Kingdom. In that program a former home secretary, the head of the judiciary in that country, and two members of parliament stated they were afraid they had to admit that innocent people may have been hung in the United Kingdom. Death is irrevocable.

We have noted a similar situation in the United States, where it has been proven that a mistake has been made, and it has not just been a suspicion of a mistake. How many hon. members have read the reports of the final court of appeal, the court of last resort, whereby it has been conclusively proven on at least one occasion and I think on two that a man sentenced to death for homicide and whose sentence had been commuted to life imprisonment was not guilty at all, and he was released.

Apart from the court of last resort I was interested in reading only two weeks ago a report emanating from the United States concerning a man who had been found guilty of murder. It was said that he was guilty and there was no question about it. He was sentenced to death. The death sentence was commuted to life imprisonment and he had been in prison for ten years. Then a man admitted that he had committed the murder and the man who was in prison was innocent. An investigation by the authorities conclusively proved that the man who confessed was not a nut. The investigation proved that he had committed the homicide for which another man had been found guilty and sentenced to death. This man had the death sentence commuted to life imprisonment, and after being in prison for ten years was released. But death is irrevocable. Are we, sir, infallible? I think this is a point which should be very seriously considered.

There is another point which I find of interest. I want to mention it because I must admit that I have not yet been able to make up my mind about it. There is a section in this act which the Minister of Justice very clearly explained, and I understand his explanation. The section deals with a jury which has convicted a person charged with capital murder, and provides that the judge must ask the jury whether they have anything to say; that is, whether they have any recommendation to make as far as mercy is concerned. I want it to be clearly understood that this is one aspect of this bill upon which at the moment I have not been able to make up my mind.

The crown lays the charge in the case of capital murder. The jury has to decide the case. The jury decides it. That is a terrible thing to have to do, but they must do it under our understanding of justice. The jury must decide whether the man or woman charged with capital murder is guilty, and capital murder carries the penalty of death. Then the judge must say to the jury, "Have you anything to say with regard to clemency, mercy or extenuating circumstances?" There we have a request of the jury which has already had to do something which a person does not like doing; that is, they have had to find a person guilty and see him sentenced to death. Then the jury is asked, "Shall the man die or shall he live?", because the judge says to them, "what you have to say will be conveyed to the Minister of Justice and through him to the Solicitor General", and then I presume to the cabinet which will decide whether or not there shall be exercised the Queen's prerogative of mercy.

I presume that because of the changes incorporated in this bill which we are now concidering, if for capital murder there were no recommendation for mercy it would be the majority thinking that the person should die. But if there is a recommendation from the jury with regard to that capital homicide, I should think, from experience of these past four years with this government, that there would be the commutation to life imprisonment through the exercise by the cabinet of the prerogative of mercy of the Queen.

Therefore basically I think the jury is actually being asked—they have found a person guilty of capital murder for which the sentence is death—to say what the penalty should be. I say, sir, that I find it rather

difficult to reach a conclusion as to whether that should be done. On balance I think perhaps it should be done, because of what I have just said; that if there is not that statement by the jury then in all probability the death penalty will be carried out. This is something upon which I should very much like to hear comments from the minister and other hon. members of the house.

Mr. Speaker, I should now like to deal with a subject which is upsetting to me. I have, of course, always wanted to see the death penalty abolished. However, if it is to be maintained, I should then ask what the method of execution is to be. This subject has been dealt with at some length by previous speakers and I should now like to make some further comments in this regard as well. Apparently the government, in its wisdom, has seen fit to retain the death penalty under certain circumstances. Should this house agree with that retention, surely in the interests of society it should be carried out in the most humane way possible. It is obvious from what has been said by the minister and previous speakers, as well as from the omission of any reference to the subject of the bill itself, that hanging is to be the method followed.

Mr. Speaker: Order. Perhaps the hon. member will permit me to interrupt him. I do not see in the bill, nor have I heard anything said during the introduction of this bill, with reference to the method of administering capital punishment. Perhaps the minister could indicate whether there is any reference included in the bill in this regard.

Mr. Winch: Mr. Speaker, I felt I was entitled to speak on this subject in view of the slight reference made to it by the minister in his introduction, and because 15 minutes was devoted to the subject by the previous speaker, during which time there was no objection made by Your Honour or any other member of this house.

Mr. Deschatelets: Mr. Speaker, I have been allowed latitude in this regard, and I feel that the hon. member for Vancouver East should be allowed to continue.

Mr. Speaker: The hon. member may continue in this regard with the permission of the house, but it seems to me that the question of the abolition of capital punishment in certain types of murder is quite a different subject than the method of carrying out such a sentence. I am unable to find any reference in the bill itself to this subject, and I feel that by allowing the hon. member to continue I would be allowing two debates in one.

Mr. Fulton: Mr. Speaker, perhaps I may be permitted to answer the inquiry which Your Honour has directed to me. I should say there is no portion of this bill that mentions the method of execution, nor anything in it which changes the present law in that regard.

Mr. Speaker: While it is true that the hon. member for Maisonneuve-Rosemont has been allowed latitude in this regard, that, of course, does not make it in order for another member to discuss a subject which is out of order, unless that hon. member has leave of the house to do so. I feel the debate would be greatly lengthened if it were extended to deal with other principles than those contained in the bill. Perhaps any hon. member who has objection to the hon. member for Vancouver East continuing along this line would so indicate.

Mr. Fulton: Mr. Speaker, perhaps I should express my own view in this regard. I suggest it would be a mistake to permit the discussion to range into a debate on the method of execution because, as Your Honour has pointed out, that is not involved in this bill. I see no objection, if it is feasible so to limit the discussion, to hon. members expressing their regret or otherwise that the bill does not contain a change in the method of execution. I do not know whether the discussion can be limited in that way, but I feel it might be a little unreasonable to attempt to limit hon. members by not allowing them even to mention the fact that there is no change. I suggest, however, that their remarks should be confined to expressions of their own regret or otherwise which, it seems to me, would be in order. I do repeat, however, that I feel it would be a mistake to allow a full debate on the subject of the method of execution itself.

Mr. Speaker: The course suggested appears to me to be sound. The hon. member for Vancouver East has drawn attention to the omission from the bill regarding the method of execution, but to debate that issue, in my mind, would be proceeding with an unnecessary debate, and it is my duty to see that the hon. members of this house follow the question before them until a decision is made.

Mr. Winch: Mr. Speaker, as you know I will follow Your Honour's ruling at all times as closely as humanly possible. You will understand, however, in view of the fact that there were many quotations and references to the report of the joint committee of the Senate and the House of Commons in respect of capital punishment by the minister and by previous speakers, during which time no question was raised nor objection made, that I therefore felt I was entitled to refer to the subject in a similar way.

I must say I am disappointed that the Minister of Justice, after reading the evidence and recommendations contained in the report of the joint committee of the Senate and the House of Commons, did not see fit to change the method of carrying out capital punishment. It has been my impression that hanging and electrocution are not the best methods of carrying out this punishment, because both methods disfigure and desecrate the body and are unnecessarily inhuman. On the other hand it is my understanding, having read the evidence of that committee, that the lethal chamber neither disfigures, desecrates nor is inhuman.

Mr. Speaker, I do not intend to go further with this subject, because I always like to stay within your good graces in the event that I become badly out of order on occasion. I have been very interested in this subject for a quarter of a century, and I am sure my views are known by all hon. members of this house in view of the statements I have made on a number of occasions during the past eight years. I do not intend at this time to reiterate them, but would only say at this stage that it is my hope that what I have said will indicate my continuing opposition to capital punishment.

I feel that capital punishment is unchristian, inhuman and cannot be justified on any basis of statistics or law, and is strictly a method of revenge and retribution. I regret that Bill No. C-92 has not accepted the challenge of the modern trend of penology by abolishing capital punishment.

I should be less than fair if, for that reason, I did not say that I appreciate the extent to which the bill does recognize the problem and represents the government's analysis of the situation in an attempt to encompass the feeling of society in a manner which will be acceptable as a step forward. I suggest this is the first major step forward that has been taken in this country toward a stage of decency when the laws of society will be applied to protect society without the necessity of taking human life.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to say that I unequivocably support the measures and principles contained in this bill. It may well be that under different circumstances I should have felt inclined to go along with the suggestions and views of the last speaker, and give my support to a bill advocating the complete abolishment of capital punishment. However, sir, it is my opinion that this is a subject in respect of which the government should not proceed any further or faster than public opinion will tolerate. There are certain subjects in respect of which the government should precede, by action, public opinion, and other subjects in respect of which the government might well be wise to lag behind. However, the issue here unfortunately involves too much emotionalism and too much controversy.

As an illustration, the hon. member for Vancouver East intimated that in his speech he would refrain from dealing with emotional aspects. While he struggled manfully to do so, he did not quite succeed. That, unfortunately, is the difficulty which is involved in a matter of this kind, controversial, weighty, going deep into the fundamental aspects of human nature. In dealing with it I think it not proper that a government should bring in a measure which is in advance of public opinion, and it is my firm belief that the distance to which this amendment brings us will be well in line with public thinking at this particular time.

I listened with great interest to the hon. member for Maisonneuve-Rosemont, the first speaker for the official opposition. I was as completely in the dark at the conclusion of his speech as I was at the beginning as to what view he or his party took. Speaking in a parliamentary sense I would say he twisted, turned and wiggled, and nowhere did he indicate whether he or his party favoured this measure. This is a clear-cut issue set out in definite language, and I hope that before this debate is concluded we shall have the opportunity to hear other hon. members give some indication as to their views on it; whereas the hon. member drew so many red herrings across the path that I thought the minister might well send for his colleague the Minister of Fisheries.

I want to deal briefly with this matter from my own personal point of view because I know other hon. members want to speak on it. It has been my experience to appear as counsel in a good many of these cases. I suppose it is utterly impossible for any person completely to divorce his experience and the precedents of the past from his judgment of the present. Because of this I take the view that this bill will do a great deal of good because it will serve to eliminate the many variables which too often in the past I am afraid have caused miscarriages of justice. After all, in this question of murder, and punishment the prosecution of murder trials and the sentences which are imposed, it is not merely as is popularly supposed just a matter of guilty or not guilty.

Far more than that is involved. What are the facts surrounding the commission of the offence in respect of which the accused person is charged? Are there facts involving a degree of provocation which might justify a charge of murder being reduced to manslaughter? Are there elements of self-defence which

might warrant a complete acquittal? If not a complete acquittal, was the measure of force used by the accused person far greater than that which should have been used, and consequently was it an offence of manslaughter? Could the offence be reduced from murder to manslaughter because of the intoxication of the accused which under certain circumstances, where he is unable to appreciate the nature and quality of the act, might well result in a direction by a judge to a jury so to reduce the charge? What about the variables in the defence of insanity?

All these things involve so many intangibles, so many variables, that I am afraid in many instances in the past cases have been tried and people have been executed under a set of circumstances where with a different judge, a different jury and different counsel that result would not have been consummated. I have seen this happen. I know well that when a brief is handed to counsel by an accused person these are the factors into which he makes diligent inquiries.

With that in mind, Mr. Speaker, I am glad to support this measure because of the fact that it does serve to withdraw to a large extent into the category of non-capital cases many cases in which this element of chance is present; the present set-up should not be tolerated in our system of criminal jurisprudence, certainly not in that branch of it where the result may well be a conviction for murder with a sentence of death subsequently carried out. The choice by the accused person of those who act for him as counsel, the degree of experience of counsel, the type of judge who presides over the case, all are important, Mr. Speaker. Justice is not like a giant computing machine into which are fed all the facts and out of which will come precise and accurate answers. It may well be that as we move forward we may come to something more approximating perfection because we acquire a better knowledge of the judicial process and improve on them but it will be many generations before we may anticipate even coming close to that degree of perfection.

We regard this business of criminal jurisprudence so carefully that we have placed in the hands of accused people certain privileges, such as the fact that the accused is innocent until he is proven guilty and the crown must prove its case beyond a reasonable doubt. We have said to the crown that you may not produce a confession by which you seek to obtain a conviction of guilt unless you first see that the production of that confession has been hedged around with all the safeguards the law has worked out over the years.

These things are tremendously important, Mr. Speaker, and consequently when I see the distance this bill is going to advance the administration of criminal justice with regard to those offences in respect of which the sentence of death may be pronounced, I am glad to support it and I hope other hon. members will do so as well, because that is in fact the result of clause 1. It is not as my hon. friend from Maisonneuve-Rosemont said, to make degrees of murder. It simply says that when you introduce into a charge of murder the elements of premeditation and planning, then you are charging the accused with a crime in respect of which he may be convicted of capital murder and in respect of which the punishment of death may be pronounced. This also is the effect of the second part of clause 1. All that the second part of clause 1 does—and I do not want to get into details here, of course—is simply to attach to the various acts referred to therein the irrebuttable presumption that there are present the same elements of premeditation and planning.

By clause 1, Mr. Speaker, we are then successful in withdrawing a great number of situations where there may be not that uniformity of justice which we must have if we are to be proud of the civilization of our country and of our jurisprudence. It has shocked me in the past to observe the distinction which is brought about. Any counsel who has appeared on a criminal charge of this nature, is aware of this fact, any man who has been on a jury will know beyond any doubt that on any jury there is likely to be one man of sufficient strength of character and sufficient certainty of opinion that he may well sway the jury to a decision which under other circumstances would not be reached. I believe this matter was dealt with by the hon. member for Parkdale when he spoke last year. He dealt with this I would judge out of his knowledge as one who has had experience himself and who is aware of the situation which may be brought about. In any event this view alone induces me to give the strongest support to this measure.

I am not going to take much more time. I know that others wish to speak, and we will have another opportunity to speak in the committee stage. Before I take my seat, however, I wish to refer to some of the other areas covered by the bill. I particularly appreciate the clauses which provide that there shall be an automatic appeal. Heretofore an appeal has only been possible in the event of an argument on a point of law. When an appeal is dealt with by the provincial appellate division, one judge must dissent before the case can be taken to the Supreme Court of Canada. A process is now being arranged whereby, irrespective of questions of law, there is an automatic appeal right from the

trial court to the provincial appellate tribunal and thence to the Supreme Court of Canada. Consequently there will be three opportunities for trained and experienced members of the judiciary to examine into the facts in respect of which the charge is laid, to formulate an opinion and to give to the accused the benefit of their experience and knowledge.

The other point to which I wish to refer is clause 13, which has already been mentioned by the minister and the other two speakers. I also approve of this clause. It gives statutory recognition to what heretofore has only been a custom under which a jury, compelled by the law and by the facts involved to find the accused guilty, has yet felt that the circumstances justified it in making a recommendation for mercy. The very fact that the House of Commons and ultimately parliament, I hope, has recognized this principle will mean that it will be accepted in the minds of members of the cabinet that such a recommendation should be given some consideration.

I had the experience many years ago of defending a young boy who was 19 years old when he was tried. He had lived a sheltered and happy life with his mother. He had never been away from home. He lived on a farm, and whenever there was any of the usual slaughtering of animals to be done he so disliked the thought of blood being shed that he would absent himself from the farm on such occasions. On one occasion when he was 18 he left the farm and in a period of four days committed five grave breaches of the Criminal Code, including murder, under circumstances for which there could be no possible defence. The only defence I attempted to introduce was that of insanity. It was established that he had the mentality of a boy 10 or 11, but he could not be brought within the four corners of the narrow, legal definition of insanity which would have meant that there could have been a finding of not guilty.

He was found guilty, and I recall the sentence well. The case was heard in a frontier town in a theatre filled with people. When it was time for sentence to be passed the boy was sobbing. He was held up by policemen on either side as the judge pronounced the sentence of death. I remember speaking to him as he went away and assuring him that I would petition for commutation. The jury intimated to me afterward that they would have liked to bring in a recommendation for mercy. They felt they could not do other than find him guilty on the strength of the charge made by the learned trial judge, but they certainly believed that there were circumstances with respect to the boy's background and mental condition which indicated to them that his life should not be taken. But because that was not done the sentence was carried out, and it was one case where I felt that the death penalty never should have been carried out.

It is in circumstances of that kind that clause 13 may well come into effect. I hope what I have said will to some extent resolve the doubts of the hon. member for Vancouver East, and that the important and forward looking clauses of the bill will receive the commendation of the house.

Mr. Hubert Badanai (Fort William): Mr. Speaker, a year ago last February the hon. member for York-Scarborough introduced Bill No. C-6, an act to amend the Criminal Code to abolish capital punishment. This bill, unlike most private bills, received a great deal of publicity throughout the country, with the result that the debate was allowed to be resumed on a subsequent date.

Notwithstanding the arguments advanced by several speakers during that debate for the retention of the death penalty, the minister's excellent address today, which merits commendation for its clarity, and what has been said by those who have since taken part in this debate, my view on the question has not changed. This divergence of opinion is the very essence of our democracy. I respect those whose views differ from mine on this matter as well as on other subjects, regardless of party politics.

I was one of those who participated in the debate last year and expressed myself in favour of abolition except in cases of treason in time of war. The widespread interest shown by the people has no doubt influenced the government to bring in the amendments to the Criminal Code now before us. This bill, of course, is not the one we discussed last year but a modification of the present code in recognition of the need for a change to a more realistic concept in dealing with people charged with murder.

Those who still favour the retention of the death penalty for crimes involving murder believe that death is the only effective deterrent against murder. I wish to read an extract from the report of the royal commission on capital punishment which was established in Great Britain in 1949 and, incidentally, was referred to by the minister in his opening remarks. The extract reads as follows:

> Capital punishment has obviously failed as a deterrent when a murder is committed. We can number its failures. But we cannot number its successes. No one can ever know how many people

have refrained from murder because of the fear of being hanged. For that we have to rely on indirect and inconclusive evidence. We have been told that the first thing a murderer says when he is arrested is often, "Shall I be hanged", or "I did it and I am ready to swing for it", or something of that kind. What is the inference to be drawn from this? Clearly not that the death penalty is an effective deterrent, for he has not been deterred; nor that he consciously considered the risk of the death penalty and accepted it; still less that the death penalty was not so effective a deterrent as some other punishment might have been. The true inference seems to us to be that there is a strong association between murder and the death penalty in the popular imagination.

Mr. Speaker, this illuminating conclusion was arrived at after not days, not months but years of dispassionate study by the foremost criminologists and legal minds of England. I agree with the minister when he said this is an area of sentiment and passion in which people rely not on statistics but rather on reaction when confronted with arguments for or against what shall be just retribution. While I respect the views of those who hold the opinion that the death sentence is a restraining force against murder, the experience of many nations, and of some states to the south, is such that it does not bear out this contention.

For example, Luxembourg has had no death penalty since 1822; Belgium since 1863; Portugal since 1867; The Netherlands since 1870; Italy since 1890. The death penalty was restored in the latter country during the fascist regime, but it was again abolished in 1948. Norway has had no death penalty since 1905; Sweden since 1921; Denmark since 1930; Switzerland since 1942. There are a dozen states south of the border that have no death penalty, and this is not a complete list by any means.

I should like now to quote from the report of a British select committee appointed by the government of that country to study and report on the subject. This study was made in 1930, and I should like to quote from the report:

> Our prolonged examination of the situation in foreign countries has increasingly confirmed us in the assurance that capital punishment may be abolished in this country without endangering life or property or impairing the security of society.

The Ottawa *Citizen*, in an editorial dealing with these proposed amendments, had this to say:

> The most that can be said of the federal government's move to restrict use of the death penalty in murder cases is that it is a step in the right direction. Because the government is not prepared to recommend outright abolition of the death penalty the proposed Criminal Code amendments raise the prospect that a strain will be placed on certain links in the system of justice.
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> The government bill introduced in the House of Commons by justice minister Fulton divides murder cases into "capital" and "non-capital" categories. The death penalty would be imposed in cases of calculated murder committed during a crime of violence. The measure provides a mandatory life imprisonment sentence for those convicted of non-capital murders. To be convicted of capital murder the suspect must be specifically charged with that offence.

Britain, sir, provides statistics of the trends of crimes in that country. While larceny, housebreaking and similar crimes have been on the increase, Britain's murder rate has remained almost stationary for the past 50 years, notwithstanding the increase in population. One third of all murder suspects commit suicide before they are brought to trial. The great majority of those convicted of murder are between 15 and 34 years of age. These are among the facts brought out in the past month during an analysis of murder which is being used by both sides in the British controversy over capital punishment.

Other interesting findings were that the overwhelming majority of murder victims are either related to or well known by their murderers, and the largest group of killings takes place within the family with murders of wives by husbands and children by fathers leading all others. Few murders are coldly plotted and premeditated. Of those charged with murder, 36 per cent are sufficiently abnormal mentally to plead either insanity or diminished responsibility. Sexual crimes, played up as one of the 10 most predominant causes of murder, accounted for only two dozen murders out of the 471 committed in Britain during the last three years.

The study to which I have referred concludes with this statement, and I quote:

> A woman or child is less likely to be killed by a stranger following a sexual assault or even where there is no sexual offence than at the hands of a blood or other close relative.

This conclusion should clearly indicate that the general ideas held by people on murder need to be brought up to date. Indeed, in all fairness, the government should have appointed a committee of competent criminologists to make a parallel study of murders and crimes in Canada before introducing this legislation. It is true that a parliamentary committee composed of the Senate and commons, did sit through three sessions of parliament. However from all accounts, the report of their findings did not include an analysis similar to the one which was made in Britain.

The Minister of Justice (Mr. Fulton)—I give him full credit—is to be complimented for the very comprehensive presentation he made in the introduction of this bill. However, I do not share his conclusions entirely, although he did advance one step toward eventual abolition. I have said that the study of crime and murder in Britain revealed that

comparatively few murders are coldly plotted. I would assume the same situation would apply to murders committed in Canada. In effect, this legislation with which we are now dealing would indicate that a premeditated murder would automatically mean the imposition of the death sentence on the murderer, assuming that he was sober when he committed the killing. If it could be proven that he was drunk when he committed the murder, then he would not be sentenced to the gallows but to life imprisonment.

The danger as I see it is this: A potential murderer, knowing the consequences of murder committed while sober, would probably decide to get drunk, commit the murder and get off with a prison sentence. This appears to show up a loophole for some murderers to escape the death sentence. One aspect of this legislation which needs clarification is the case of a convicted murderer sentenced to life imprisonment. Will this really mean imprisonment for life or will he be eligible for parole after a number of years? According to the bill, the fate of this person would be decided by the cabinet. The parole board will lose its job and the Minister of Justice will set himself up as the arbiter in deciding how many years will be chopped off the life sentence.

This is one of the worst features of this legislation. The fact that anyone could be kept in prison, at the pleasure—if you please—of any government, would too greatly resemble the power of a dictatorship. Those of us who believe in abolition would substitute life imprisonment for murder without the benefit of parole at any time. In other words, the real deterrent would constitute confinement behind bars until natural death released the prisoner.

The danger of executing an innocent person is also an important factor which should be evaluated because here we are dealing with a risk of no mean proportions.

Let us consider the case of a man by the name of Evans who was hanged in London for the murder of his wife and child in 1949. Five years later a fellow by the name of Christie living in an apartment in the same house was arrested and convicted of having murdered several women, including Mrs. Evans for whose murder her husband was hanged five years previously. This case was the subject of an analysis by judges and members of the bar who appeared in a C.B.C. television program known as "Background" on Sunday, April 23. It is the case which was referred to by my friend the hon. member for Vancouver East (Mr. Winch).

The present bill is clearly compromise legislation which may satisfy some people. It is quite obvious that the voice of those on the side of abolition has not been loud enough to convince the government to go all the way by bringing about the end of the death penalty in one stroke. However, the time will come when Canada will join those enlightened nations whose penal code no longer contains provision for the killing of the guilty by hanging them by the neck until they are dead. We can easily anticipate that the passing of this bill will not end the discussion on the subject.

The *Globe and Mail* of May 17, devoted a lengthy editorial to the subject concluding with these words:

> The new amendments will reduce the number of cases in which the government is required to exact the extreme penalty or to interfere with the law; but they do not answer the moral question: Should society kill any man, whatever his crime? This is a question which can only be answered with the vote of a house that has been liberated from party discipline to follow the dictates of conscience.

Here, Mr. Speaker, I wish to state that the debate on capital punishment last year revealed the tremendous interest which the whole country shared on the subject. It was a practical demonstration of the people's feeling on the matter which was divided for the most part and for this reason, if not for others which could be cited as valid, it seems to me that there should be a free vote on this matter. I urge the government—and I am looking straight at the Prime Minister (Mr. Diefenbaker) at this moment—to allow a free vote of the members on this measure. A sincere expression of opinion in the House of Commons can be produced only by allowing members to vote individually as their consciences may dictate regardless of party affiliations. A free vote of parliament will indicate the degree of public feeling for or against capital punishment as no other sampling of public opinion could possibly achieve.

Mr. Arthur Smith (Calgary South): Mr. Speaker, I should like to speak very briefly on this bill. In so doing I wish first of all to congratulate the minister not only on the introduction of the legislation itself but on the very comprehensive and able analysis he presented to the house earlier today. I have one or two observations to make. Having spoken in the debate a year ago may I say at the outset that I am happy to support the bill. I have one or two reservations, and I would hope the minister will make some explanation in summary.

Perhaps I might open my remarks by first of all replying, to the extent one can do that, to the suggestion that this bill in any way represents a compromise, as it has been described. It is perhaps true that there has

been an attempt to reconcile certain views hitherto expressed on various aspects of capital punishment, but certainly there is no compromise in the principle in this legislation before us.

We might recall that a year ago in the debate at no time did any member suggest that we should take a life through capital punishment in return for a life which had been taken by a murder. It is not suggested that this should be done as a matter of revenge or retribution, but only if it represented in any form a deterrent in order to prevent some person at some later date from committing a similar crime. I think that those of us who argued the necessity of the retention of capital punishment did so on the simple ground that it did to some degree represent a deterrent. I suggest to you, Mr. Speaker, as did the minister, that any serious study of this factor—whether it be the United States review or the joint committee of the house and Senate—has exhibited very clearly in their conclusions that capital punishment is a deterrent. To what degree, of course, this house and in fact the public of Canada may never know.

It is not my intention to go over all the past events on this or any other bill dealing with capital punishment. I think obviously the principle point that we must establish in our mind is first of all whether a deterrent is exacted by employing the maximum penalty; then how best can we employ it so that, first of all, we do not take a life when there is any question as to the motivation or premeditation in the murder committed. In other words we must judge it in the circumstances surrounding it. We must also be absolutely certain that we provide every safeguard so that we do not take the life of an innocent person.

The bill deals with these two factors very adequately in my opinion. It provides three very excellent safeguards, namely prohibition of the guilty plea, the requirement that a trial judge asks if mercy is recommended and of course, the right of automatic appeal. This provision therefore is adequately taken care of in this bill.

But what about the other facet, namely that of determining whether or not a murder was premeditated or whether or not it was something that developed out of a crime of passion as it is legally described. Here again the minister and his officials have defined the bill in its two categories of capital and non-capital. The application is therefore fairly simple. Hence I suggest that it satisfies to this extent the rather extreme views that have been offered in the house, on the one hand arguing that it is improper and wrong to take the life of someone who conceivably out of anger or perhaps because of insanity took the life of a human being, and yet it provides for society protection from a person who, in his full knowledge and in the possession of all his senses goes out and with premeditation takes the life of a fellow human being. So for this reason I say this is a good bill.

But what of the reservations I have suggested? First of all, I would ask the minister in his summary to tell us whether he considers this aspect in his categorizing of murder. Is it to be suggested that perhaps we are encouraging those who might enter upon or become involved in an armed robbery, with the use of weapons and thus encouraging them to carry out the final act of committing a murder? I realize that this is a difficult question and that an accurate assessment of the matter cannot be made. Is this likely to lead, as has been suggested today, to the possibility of people committing murder because of the knowledge that, in the final analysis they will not, of course, lose their lives if convicted of a capital punishment offence?

The second question I put to the minister is this. Having regard to the safeguard that the jury has a right to recommend mercy—in fact, it is now a mandatory provision—is this likely to put us in a position where all juries are going to be obliged for the most part in effect to recommend mercy and that we are therefore limiting the usefulness of capital punishment as a deterrent?

The third question I put to the minister deals with the whole problem of life imprisonment and its relationship to parole. I would ask the minister to state in his summary his own view regarding whether the terms under which life imprisonment can now be exacted adequately deal with those people who are involved in sex slayings. I would also ask the minister whether or not we have created a situation in which the individual, whether he is convicted of a capital or a non-capital offence, is provided every opportunity to go out and again commit a similar crime. I think it is perhaps important that we look at the history of these people and our experience in this regard.

I do not intend to repeat it in any detail, but my one concern is this. It may be argued that in some instances it would be perfectly safe to release a non-capital murderer fairly shortly after conviction, provided he has no chronic mental instability or impairment. On the other hand there will be others whose mental imbalance is insufficient to constitute what has been described as legal insanity, which fact may not be brought out in the trial or in the proceedings on appeal. These people may or may not respond to treatment.

I would ask the minister whether he considers that in the final analysis the cabinet should make the ultimate decision as to whether these people, if convicted of a capital offence, should be released. I think it is important to make a very careful assessment of the methods by which we impose or enforce life imprisonment so that we do not send out into society those people who are able and in fact are almost encouraged to commit murder for a second time.

Mr. Speaker, I have covered all the points I intended to introduce. As I said at the outset, I support the principle of the bill. I think it satisfies the essential needs. Capital punishment does represent a deterrent and it is still there to remind any individual, who with willful knowledge intends to commit a murder, that if he pulls that trigger or pushes that knife into someone's stomach he may in turn lose his own life. It therefore remains as a deterrent to any person who is likely to commit such a crime in the future.

May I close, Mr. Speaker, by once again congratulating the minister for what I consider to be a very important and very useful piece of legislation.

(Translation):

Mr. Caron: Mr. Chairman, last year, when we considered a bill providing for the abolition of capital punishment, I declared myself very categorically in favour of the maintenance and, in some cases, of the increase of the reasons for hangings or executions.

I am not surprised that, from time to time throughout history, bills based on sentimentality are being introduced, in order to reduce the punishment meted out to those who have committed a crime against society.

Who are those who are against capital punishment? First of all, you have good, honest and serious people who want to abolish capital punishment to obey their conscience, their sentimentality or because they believe it is in the interest of society. Those people are as well intentioned as those who were preaching prohibition in 1917, who believed that it was the way to abolish alcoholism in the world; the result was exactly the contrary of what they were seeking.

Today, people who are just as well-meaning as the people in those days want to eliminate capital punishment, on the grounds that it is not humane and that civilization is going forward at such a pace that we must have great compassion for the person who is to be tried, found guilty and probably executed.

On the other hand, there are people in the underworld who are fully in favour of abolishing capital punishment, because they fear it; they are afraid of the future, and it would be a good thing for them if capital punishment were abolished.

There is also the communist world, that wants capital punishment to be abolished in all its forms, even in cases of treason; because they feel the need to protect themselves in the event of a war between the communist world and the democratic world.

The idea of abolishing capital punishment is nothing new. As far back as the fifteenth and sixteenth century, there were people who favoured it. In France, there was Voltaire and Jean Jacques Rousseau. In Italy, there was Vico and Beccaria, and in Germany, there was Savigny, Karl Marx and Kelsen. In Great Britain, Hume and Benthan called for the suppression of this penalty, while in the United States, Franklin and Paine did the same.

All were great men, great philosophers who had studied the matter and felt compelled to promote a new idea in the world, for a developing society.

The idea was practically abandoned for many years, but in recent times it has been gaining ground in various circles. Some countries have accepted the abolition of capital punishment, while others have opposed it. In Canada, it has not yet been done, and I hope this country will not go so far as to accept this idea.

I realize that the piece of legislation now before us is not a bill for the abolition of capital punishment. However, we know it is one more step which will inevitably lead to a reality if we go on indulging in this false sentimentality.

What are the arguments of the very people who call for the abolition or reduction of capital punishment? For some of them, it is a matter of conscience, along the same lines as faith in God and acceptance of that part of the Bible which says:

Thou shalt not kill.

They do not want us to feel any resentment against those who may hit us, because Christ said:

But whosoever shall smite thee on thy right cheek, turn to him the other also.

All those principles of tolerance are the basis of their beliefs and that is one of the reasons why they absolutely want the abolition or at least the mitigation of the death penalty.

Others, on the contrary, argue that capital punishment is inhuman and must be abolished since it is a survival of ancient times, when the one that had meted death also had to face death.

What about the murderer then? Did he entertain any of those soft feelings toward his victim? Did he have any feeling for the

family bereaved of their protector, when the breadwinner fell under the blow dealt by the murderer?

Some people would argue that the death penalty should be done away with on the ground that it is only a matter of vengeance.

It has nothing to do with revenge; in fact, if it did, I would support its abolition.

In my opinion, it serves as an instrument of retribution necessary in a society in order to remove the numerous causes which may lead to murder.

Some people say that capital punishment is not a deterrent to homicide. May I be permitted to refer to the report tabled on June 27, 1956. It was submitted by the joint committee of the Senate and the House of Commons on capital punishment.

I will quote only a few excerpts. On page 10, one can read the following:

The committee was deeply impressed by the support given the death penalty by those who are responsible for the administration of the law. It includes all the attorneys general of all the provinces except Saskatchewan. The experience of responsible persons who share that opinion showed that it was an effective deterrent to murder.

Now, to page 11.

Moreover, it was contended that professional criminals were more likely to resort to violence. To this class of criminal, capital punishment was a more effective deterrent than mere imprisonment to which they were already hardened and which they tended to regard as an occupational hazard.

Now to page 14.

In considering the arguments for and against abolition, the committee was conscious of the view of the provincial attorney general and other officials responsible for law enforcement from whom it received evidence that capital punishment is an important and necessary deterrent to murder. As indicated in paragraph 50, the committee did not consider that this opinion is displaced by other evidence based upon statistical comparisons, and the committee has concluded that capital punishment does exercise a deterrent effect, which would not result from imprisonment or other forms of punishment.

I now quote paragraph 56, page 15:

The committee while recognizing the substantial support given by many persons to the abolition of capital punishment, considered there is a still wider group who support and accept capital punishment. This support reflects the public's revulsion against murder, the "crime of crimes". Equally, the committee considered that the public abhorrence of murder reflects a traditional attitude built up by the reservation of capital punishment for this particular crime. The abolition of a penalty traditionally accepted as a just and effective deterrent could only be recommended if the evidence clearly established that the ordinary citizen's view of its efficacy was demonstrably wrong.

On the other hand, many consider the maintenance of capital punishment as a deterrent to murder. This is so true that whenever this question becomes an issue, people want capital punishment to be retained in the case of crimes of treason.

Therefore, if people can thus be deterred from such crimes, why can they not be deterred from any crime?

Page 15 of the report reads partly as follows:

The committee was of the opinion that capital punishment does protect the police to a greater extent than imprisonment alone would do by deterring criminals from using firearms or violence to facilitate the commission of crimes, or escapes from arrest or attempted apprehension.

And, on page 17, one can read the following:

In practice, the committee considered that any redefinition of the crime of murder—

This is closely connected with the present bill.

—should conform closely to the present practice in commuting sentences of capital punishment. Having concluded that it is not practicable to achieve a satisfactory redefinition of murder, the committee also decided that differences between murders can only be recognized by granting commutation in suitable circumstances.

Several witnesses suggested that consideration might be given to the creation of degrees of murder which would take into account the difference in moral culpability between different types of homicides. All witnesses representing law-enforcement authorities opposed the establishment of degrees of murder. The committee shares the conclusions of the United Kingdom royal commission on this question. The committee is of the opinion that the present distinction between murder and manslaughter is quite clear and straightforward.

I will now read a few of the committee's recommendations:

(1) Retention of capital punishment as mandatory penalty for murder.

(2) Retention of capital punishment for treason and piracy.

(3) No change in definition of murder.

(5) No special provision for women.

(6) Abolition of capital punishment for offenders under 18—

That is the only case where the committee felt capital punishment should be abolished, that is the case of offenders under 18 who can still reform and who may have been brought up since childhood in a neighbourhood where they were exposed to evil influences.

On the other hand, in the case of a man who has achieved more maturity, it is recognized practically everywhere that a criminal always comes back to the scene of his crime or always commits the same kind of crime over and over again. Consequently, there is only one way of correcting those criminals, namely to find the only solution which will at least check this desire within the criminals

to kill their fellow human beings. I feel that capital punishment may often cause within young criminals, a reaction which will stop them, because of their families, from committing a murder.

History tells us that in the latter part of the war a great number of men in the army of Napoleon I committed suicide. Then, looking for a means of checking those suicides and knowing that those who committed that crime did so for the sake of family pride, Napoleon ordered that all those committing suicide be hanged. And it is said that from that moment on the number of suicides decreased considerably within Napoleon's army.

Thus we can say that hanging is considered as a dishonour and it is precisely for that reason that hanging must be kept as part of our traditions, as a deterrent for those who might still be prone to kill.

It has been said and it is still claimed that most murders are committed following fits of madness. It is true and whoever has read Alexis Carrel's book "L'homme cet inconnu" will agree with me that most individuals, if not all, have several fits of madness in their lives. In fact, whenever a man gets mad to the extent of losing control over himself, then he may do some foolish thing. But can such an act be an excuse for the crime of killing somebody? I do not believe so.

Besides, it is a known fact that our courts of justice have always been prudent in that field. Whenever a judge and jury are called upon to judge a case, they are absolutely prudent and make sure that there is confirmation of evidence and whenever they are faced with circumstantial evidence, they always make sure that all circumstances are brought forward so that there be no doubt whatsoever concerning the guilt of the accused.

Some people claim that in the past—I do not know personally—there have been cases where persons would have been found guilty when in fact they were innocent. One might say that was an accident. Even if it is possible for one such accident to happen in one hundred years would it be wise to abolish that deterrent which keeps people from making use of brutal force to eliminate an enemy or from acting like today's gangsters who enter a bank with drawn weapons, intending to kill if they do not get the money they are after.

You just have to recall the action of that young criminal who shot down a police officer, in a Montreal caisse populaire because the latter tried to arrest him. Could we find some way to cure those criminals apart from holding out to them the prospect of hanging? I do not think so.

However, I believe the main evil we should fight these days is the lack of religious education among our children. In fact too many people still claim that there is no room for religious education in our schools, that it should be eliminated from the curriculum. In our schools, we reach all our children whereas, at Sunday school—or the perseverance lectures as it is called in some places—there are a certain number of pupils taking those courses because their parents are strict enough to keep an eye on them and to send them to the school, but most children do not attend. I am of the opinion that the only way to foster a mental habit is to promote religious education for our children and to teach them principles they will never forget.

Those who want religious education to vanish from our schools do an ill-turn to society because they deprive a child of an opportunity to learn principles which might keep him on the right track during his whole life.

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

Mr. Caron: Yes.

Mr. Martineau: Could he tell us who are those persons who want to do away with religious teaching in our schools?

Mr. Caron: Mr. Speaker, if the hon. member had read the publication entitled *Orange Sentinel,* distributed to us every month, he would have seen that there are many people who advocate the discontinuance of any religious teaching in our schools. As a matter of fact, I do know that an Anglican bishop in Toronto and Anglican ministers, who had put themselves on record as being in favour of religious teaching in the schools, received letters of protest and threat for having dared to ask for the retention of religious education in our schools.

Such teaching is most necessary, and too often it is not realized what ideas can be taught the children through it. That is what is sought to be abolished by those who favour the abolition of religious education. It is a matter of giving youth good training at a time when they are being educated. If we see to it soon enough, perhaps this matter of capital punishment will not have to be dealt with. I am convinced that we should be much more stern than we are now for hold-ups.

I could not tell whether it can be blamed on law administration or on the weakness of the bench, but recently in Montreal a criminal who had robbed a considerable amount of money was sentenced to only seven years in prison. Such leniency means that this criminal, on being released, will take possession of the stolen money which he must have hidden, and since society has been so lenient in his case, he will be ready to resume his former life.

Moreover, several people are opposed to capital punishment because their conscience objects to such punishment.

It is said that killing is forbidden in the Bible. In fact, it is stated in the Bible: Thou shalt not kill. This is a general commandment to the effect that an individual has no right to kill. But, on the other hand, this is what we find in chapter 9, verse 6, of Genesis:

> Whoso sheddeth man's blood, by man shall his blood be shed.

Now, it is quite obvious that "by man shall his blood be shed". And "by man" means society, he who within society is responsible for maintaining order.

And in Leviticus, chapter 24, verse 17, we find the following:

> And he that killeth any man shall surely be put to death, and he that killeth a beast shall make it good; beast for beast.

I understand that those words have been referred to earlier as being a commandment of the law of retaliation. But they are based on the fundamental principle that we must not kill, he who kills must be punished by society and the only fitting punishment is death. And we find here:

> Voluntary murder.
>
> And if he smite him with an instrument of iron, so that he die, he is a murderer: the murderer shall surely be put to death. And if he smite him with throwing a stone, wherewith he may die, he is a murderer; the murderer shall surely be put to death. Or if he smite him with a hand weapon of wood, wherewith he may die, he is a murderer: the murderer shall surely be put to death—
>
> But if he thrust him of hatred, or hurl at him by laying of wait, that he die; or in enmity smite him with his hand, that he die: he that smote him shall surely be put to death; for he is a murderer.

And this is what we find in the Deuteronomy, chapter XIX, verses 18 and 19:

> And the judges shall make diligent inquisition—

This shows that even in the Bible this matter was not to be dealt with without due consideration; evidence was needed, and convincing evidence.

> And the judges shall make diligent inquisition: and, behold, if the witness be a false witness, and hath testify falsely against his brother, then shall ye do unto him, as he has thought to have done unto his brother: so shall thou put the evil way from among you.

And further on, in the Proverbs, I find the following:

> Foolishness is bound in the heart of a child; but the rod of correction shall drive it far from him.

The Bible mentions several times that he who kills should be killed by society.

The individual, of course, has no right to take the law into his own hands, but society must protect the victim of a murder. It must protect the eventual victim of a murderer.

For all these reasons and for many others that time does not allow me to give, I shall vote against this bill.

Mr. Paul: Would you allow me a question?

Mr. Caron: Certainly.

Mr. Paul: If I understood your statement, you mentioned that Napoleon had inflicted capital punishment to put an end to a wave of suicides. Is that true?

Mr. Caron: I have read this fact somewhere but I have not checked its accuracy. I know that words and deeds are often wrongly attributed to great men, but the fact that it was ever mentioned is enough to make one wonder if that was not a way to deter his men from committing a crime.

Mr. Paul: How did they go about hanging a suicide?

Mr. Caron: It is simply that a sentence to death by hanging was shameful, whereas suicide was considered an honour.

(Text):

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I should like to speak briefly in support of this bill and also to speak directly on two principles of the bill and not on capital punishment in general. The first principle I should like to discuss is the suggestion that this is a compromise bill between two extreme points of view. I feel that this is not a compromise bill because in effect, as I see it, it carries out the will and the beliefs of the vast majority of people in this country. I do not believe there is one large body of people who are absolutely for capital punishment, nor a large body who are absolutely against it. I believe this bill expresses the direct belief of the vast majority of people;

therefore it cannot be described as a compromise but as a bill which carries out the general intent and beliefs of the people of this country.

I believe the majority of people would like to see capital punishment abolished except in certain cold-blooded, planned and deliberate murders. I believe that those who would not like to see complete abolition are of that belief because, first, of the danger of organized crime developing or moving into this country; and, second, because of that residue of restraint, indefinable though it may be, which would cause a person who might be about to commit a murder to have second thoughts as to the possibility of his losing his own life.

Further, I believe that the adoption of this bill, for all practical purposes and with very few exceptions, would have the effect of abolishing capital punishment. Furthermore, I believe that it will reduce almost to zero the number of cases which may come before cabinet for consideration.

I should like to turn to another aspect of the bill. I wish to show that while there is still an element of capital punishment involved in the bill there are at least seven elements of protection which are given to a person who has been convicted of murder before his actual execution. I should like to list the seven elements of protection now given. First, a person must have committed a murder which is within the new definition contained in the bill, that is, the type of murder which is calculated and deliberate and accompanied by force or stealth. Therefore the first element is that he must have committed the type of murder that we now describe as capital murder.

The second element of protection is that he must have been charged with capital murder. This involves a decision by the law enforcement officers in the first instance in considering the facts and coming to the conclusion that the facts warrant a charge of capital murder being laid against the person involved rather than non-capital murder. Third, the convicted person must have had a full and complete trial. There cannot now be a plea of guilty to capital murder. Fourth, a jury must have decided unanimously that the person charged was guilty of capital murder. In this connection the jurors must have directed their minds to whether or not the person was guilty of non-capital murder because, even where capital murder has been charged, there is the alternative of finding the accused person guilty of non-capital murder. Therefore the jurors, having considered the facts and after applying their minds to the matter, must have voluntarily decided that the person is guilty of capital murder.

Fifth, even after having convicted an accused person of capital murder the jury is now asked directly whether they wish to make any recommendation as to mercy. Here again the jury, having directed their minds toward whether the accused person is guilty or not guilty of capital murder, must further direct their minds toward the question of whether or not they wish to recommend mercy. In other words, they must now consider punishment as well as guilt.

The sixth element which is now involved is that there must have been an appeal to a provincial court of appeal. Even if the person charged does not himself voluntarily wish to appeal, under the bill the facts must be reviewed by a provincial court of appeal composed, in most cases of capital crimes, of five or more judges of such court. Under these provisions, therefore, the sentence and the facts must be reviewed by the provincial court of appeal. The final element of protection afforded to an accused person is that the royal prerogative of mercy must have been refused.

With these seven elements I believe that the enforcement of capital punishment involving execution of convicted persons will be reduced to the point where it will result in actual abolition. There is still that residue of people who, having passed through the seven steps of protection, can still be found to have committed a murder for which they should lose their lives. It is for that small element that I believe most of the people of Canada desire to see capital punishment retained. For that reason I feel very strongly that the bill is not a compromise but carries out to the letter what the people of Canada desire at this time in our history so far as the question of capital punishment is concerned.

Mr. Alan Macnaughton (Mount Royal): Mr. Speaker, on February 18, 1960, at the time when the bill on capital punishment of the hon. member for York-Scarborough (Mr. McGee) was being discussed by the house, I set out in some detail, as found on page 1208 of *Hansard*, the reasons why I was opposed to capital punishment. I do not propose to cover those details again. However, I am still opposed to capital punishment and I base myself on three fundamental reasons or principles.

The first is that capital punishment emphasizes the punitive aspect of justice, and by the word "punitive" I mean punishment, of course. Punishment, as we all know, can be broken down into at least four elements,

punishment to deter an act from being committed, punishment to make a person suffer who has committed an act, a sort of form of vengeance or retribution, punishment in order to reform the criminal, to make him see the proper way to follow, and punishment in order to maintain the laws of the civilized state or, in other words, to protect society.

The second principle I mentioned was that it is human to err in judgment because none of us, of course is infallible. The third general principle I mentioned was that there is an ethical basis to this whole thing. It seems to me that the state cannot take what it cannot give. The state cannot give life and therefore it should not take life.

While the bill does not go as far as I should like to see it go, nevertheless it seems to me that it does bring in certain important changes. For example, during the past two decades there has been a great change with regard to the treatment, care and study of criminals and matters in relation thereto. A great deal of psychiatric research has been made and is under way. In this connection, and since it has not been mentioned so far, I should like to refer to two chief points in relation to psychiatric and medical research.

The first is that up to the present the language used in the Criminal Code is almost impossible of psychiatric definition. Thus the word "insanity" means one thing to the legal mind of the lawyer who is in court and has a completely different connotation to the medical profession or the psychiatric mind. The word "psychopath", for example, and all that word implies is new in relation to the outdated words, if I may call them that, in the Criminal Code as we have it at present. I suggest that the words "mentally deficient", for example, would be a much more scientific general term to use in this connection.

Second, it seems to me that too often the decision whether or not a criminal is guilty hinges on psychiatric evidence given by the so-called experts who are called in. It also seems to me that it is both unfair and unreasonable to put a psychologist or psychiatrist into the witness box and, whether he has prepared the case thoroughly or whether he has not, to expect this psychiatrist to give clear and unbiased replies to the questions which are put when he knows that, depending on the evidence he may give in the witness box, he may personally convict the accused. If he says that the accused is not insane according to the present definition in the Criminal Code, which according to the psychiatrist's definition is outmoded then he personally, in effect, convicts the accused. No respected, responsible professional man wants to put himself in that position. I say, therefore it is time we updated the Criminal Code and brought into the Criminal Code new words dealing with this general category of mental deficients.

If on the other hand he says the criminal under review is insane when he knows perfectly well that the accused has committed some act of violence then the accused is likely to go free. The only point I am making is that I approve of the updating of the Criminal Code certainly with regard to the general class or kind, if I may use that term, of mental deficient.

I do not propose to detain the house any longer. I just wish to say that I feel this amendment to the Criminal Code is an attempt to end the confusion in the public mind which has existed for many years. I think it is an attempt to resolve a very difficult problem. I believe the minister is to be heartily commended and congratulated upon the restrained and careful words he used in his opening statement. I want to say that, in my opinion, these amendments indicate an attempt to temper justice with mercy and forbearance and, for that reason, I propose to support these amendments as a step in the right direction.

Miss Margaret Aitken (York-Humber): I believe this bill, Mr. Speaker, No. C-92, an act to amend the Criminal Code in respect to capital punishment, and the debates that led up to it have shown parliament at its best. In his fine speech during the presentation of Bill No. C-92, the Minister of Justice (Mr. Fulton) gave due credit to the private members who introduced various bills on the subject of capital punishment. I believe that the debates we had in this house last year were good for parliament and good for the country as a whole.

I know that hon. members received, as I did, many letters from the constituents and from people outside our constituencies indicating that the debates crystallized their own thinking as they did our thinking. I received one letter from a lawyer in Prince George, British Columbia. He had this to say, and I thought it was pertinent:

> As a practising lawyer, I believe most sincerely that capital punishment degrades and tarnishes the whole administration of justice. It places on judges, jurors and counsel alike, an unbearable strain. It engenders sympathy for the very last man for whom sympathy should be felt—the accused man himself.

I am an abolitionist, Mr. Speaker, when it comes to capital punishment. I do not believe the taking of life by the courts is a deterrent to murder. I do not believe it is morally right that a man or a group of men should be given the power to take life. I believe hanging is a

barbarous facet of our civilized society. I believe that capital punishment should be abolished. I do, however, give wholehearted support to this Bill No. C-92. I support it, first of all, because I think it is a forward step.

In last year's debate, I suggested that every step toward abolition of capital punishment is a forward step. I certainly believe that this bill is a step toward abolition. Last year the Anglican Church of Canada declared itself in favour of the abolition of capital punishment and decided to ask the government—I quote the words that were sent to the government—"to initiate proceedings leading to abolition of capital punishment in Canada." I think this bill, Mr. Speaker, is doing just that, initiating proceedings that will lead to the abolition of capital punishment.

I am not going to repeat the arguments that we who would like to see capital punishment abolished put forward in this house during these debates. I do believe that a murderer, whether capital or non-capital, should be taken out of circulation, out of society. I look forward to hearing from the minister an explanation of precisely what the life sentence penalty will now mean. There are some people who say, why should the taxpayers support murderers for many long years. It has been said, and truly said, that you cannot reduce anything as sacred as life to dollars and cents.

Another reason, Mr. Speaker, why I am supporting this bill is that I do not believe at this time if a vote were taken in the House of Commons or in the country as a whole, the result would be favourable to abolition. I believe this measure is a good compromise and a step toward the abolition of capital punishment.

Mr. D. R. Mitchell (Sudbury): Mr. Speaker, the introduction of this bill gives me an opportunity to say a few words with regard to my feelings about this matter. I know that some of my colleagues will not agree with my thinking on this matter, particularly the hon. member for Mount Royal (Mr. Macnaughton), who has spoken, and also the hon. member for Fort William (Mr. Badanai).

Many arguments pro and con have been forwarded to me by interested persons concerning abolition or retention of the death penalty in Canada. I have not changed my position on this subject since I spoke on the previous bill introduced by the hon. member for York-Scarborough (Mr. McGee). I feel that the death penalty should be retained and that we should not have two kinds of murder defined in the Criminal Code with the death penalty applicable to one.

The bill introduced by the hon. member for York-Scarborough was debated but never given third reading. I am sure the reason for this procedure was that it would have been defeated. It was a private bill, so there would have been a free vote; therefore, there is no doubt why it was never put to a vote.

Since I am not a member of the legal profession, Mr. Speaker, I am taking a layman's view of this particular bill. My findings are the result of many representations I have received in letters or personal interviews with persons who have sought me out or whom I have sought out. Since this bill is a government measure the possibility of a free vote so far as government supporters are concerned has been removed. This assures the passage of the measure. I think that the Minister of Justice (Mr. Fulton) or the Prime Minister (Mr. Diefenbaker) should allow government members to make up their own minds and allow them to vote as their consciences dictate. There are bound to be many on the government side who have their own views on this matter, but they are bound to vote with their party.

Mr. Fulton: Mr. Speaker, I do not want to interrupt the hon. member because of any difference with his approach to capital punishment which, of course, he is quite entitled to have. However, I bring to his attention and to yours, sir, the propriety of suggesting that in votes in this house members are bound other than by their consciences.

Mr. Speaker: That is so. Earlier in the day I noticed that one of the hon. members was suggesting something to the contrary. However, I think it would be a reflection on the house to suggest that any hon. member was not free to vote exactly as he saw fit and that it would not be a proper suggestion to make.

Mr. Martin (Essex East): In answer to what the Minister of Justice (Mr. Fulton) has said, Mr. Speaker, may I suggest that what the hon. member was clearly seeking to do was to establish—

Mr. Fulton: The hon. member is side stepping as usual.

Mr. Martin (Essex East): I am sorry that I have a disability that forces this action in the circumstances. I can only say that what the hon. gentleman was seeking to do was quite obvious, namely to urge upon the government—

Mr. Speaker: Order. If the hon. member wishes to address himself to the point I should be interested to have his view on the subject. It is an important matter. From time to time hon. members suggest that other hon. members are under some compulsion and are not free to vote as they see fit.

That is the question. Whatever may be the reason for which it is raised is irrelevant. If I am wrong in the view I take, I should like the hon. member for Essex East to indicate what he considers to be the proper view.

Mr. Martin (Essex East): In order to understand what the hon. gentleman was seeking to do, I think one must realize that he not only used the particular phrase complained of but that he asked that the government release members from the obligation of accepting the direction of the party whip. That is not an unusual request to make and that is what he is seeking to do. He was not seeking to suggest that hon. members do not vote according to conscience. He was, however, asking the government to release their members from any obligation to follow the direction of the party whip. That is not an unusual request to be made by one member under circumstances such as these. I do not think that the language used by the hon. member generally is open to any other interpretation.

(Translation):

Mr. J. P. Deschatelets (Maisonneuve-Rosemont): Mr. Speaker, to add to the remarks of the hon. member for Essex East (Mr. Martin), may I point out that when we discussed a similar bill last year, the Prime Minister himself (Mr. Diefenbaker) indicated that members on the government side were completely free to vote according to their conscience on the bill under discussion at that time, and that there was to be no question of toeing the party line.

Now, I raised this point last Saturday and you, Mr. Speaker, prevented me from getting a reply. At that time, I did not insist, but I want to say that when I mentioned a free vote, I did not mean to suggest that we do not vote freely; however, there is a distinction to be drawn between a party vote and an ordinary vote. We are always free to vote as we please, but in the case of a bill of this nature, I think the hon. member is quite justified in his remark, because the Prime Minister himself established a precedent last year when he said that government supporters would have an opportunity to vote in complete freedom on a similar bill.

(Text):

Mr. Speaker: I shall give some further consideration to this extremely important matter. From time to time I have heard hon. members refer to what are perhaps the facts, if not the theory, of parliamentary decisions. However, as far as I am aware, except where the government chooses to indicate that it does not regard the motion as one of confidence, it has not been in accordance with the practice of parliament for any member to suggest that any other member is under any restraint or compulsion with respect to his voting. There is nothing in the rules about parties or whips and there is nothing properly said in the House of Commons about parties or whips. However, perhaps theory and practice have diverged.

I have expressed my view. I should like to think about the matter in case the point arises again. However, as at present advised, I think it is improper for any member to ask that another member be freed from compulsion. I think it is improper to assume that any member is not free to vote as he sees fit.

Mr. Mitchell: Very well, Mr. Speaker, maybe I could put the matter in another way and say that it might be interesting to observe what members may absent themselves when the vote is taken if they vote as I have suggested.

This bill also suggests the possibility of relieving the cabinet of the very embarrassing and ticklish situations with which it finds itself confronted when dealing with applications for commutation of death penalties. Many sentences of death have been altered to life imprisonment in the last few years by the cabinet with the usual criticism from both sides of the argument. This bill to a certain extent relieves this situation and will therefore relieve the cabinet of many embarrassing decisions in such cases.

However, the death penalty is a definite deterrent and should be retained and not altered. We have fines for speeding and parking, et cetera. These fines are deterrents and always will be deterrents. Therefore, why not have a deterrent as far as murder is concerned?

On my week-end visits to Sudbury I have made it a point to contact various groups and to get their reaction to this bill. I have listened to well informed arguments on both sides and have weighed the submissions in my fact finding discussions. One thing bothers me. Suppose the death penalty were abolished and life imprisonment were substituted and suppose a condemned man is sentenced to penitentiary for murder. Suppose that during his incarceration he murders a guard at this institution. I presume he is no worse off inasmuch as he has already been committed for life and one or two more murders would not increase his sentence. Having now committed this second murder, should he be retried and sentenced to death because he was a good boy when he committed the first murder?

In this bill I would suggest some amendments could be made and that, of course, further study could be given to it. I suggest this bill could be deferred for some time in order to have the jurists and bar associations give this matter very serious study and come back to the minister with their reactions and suggestions for amendments. One amendment I would suggest would be to change the method of execution. Not many of us have had the experience of attending a hanging; but from reactions we have heard, it is inhuman in many cases. My suggestion would be a study of gas or electrocution as a form of execution rather than the present form of hanging.

I have come to the conclusion—not without having made a study of this subject, and having regard to the suffering caused to innocent people by criminals who commit murder—that the death penalty is a definite deterrent and should be retained without any alteration or alternate penalty of sentence, of course, taking into consideration the age of the convicted, whether he be a minor or not.

One of my constituents sums up the matter in this way. He had an old uncle who always said this: "Hanging may not discourage murderers, but it sure stops the one that gets hung". I am inclined to believe him.

Mr. Paul Martineau (Parliamentary Secretary to the Prime Minister): Mr. Speaker, the legislation at present before the house is in my opinion a logical, common sense approach to the whole question of capital punishment. It is so on several grounds, of which I should like to list a few.

First of all there is the question of deterrence. There is no doubt whatsoever in my mind that capital punishment provides a greater deterrent to the crime of murder than any other form of punishment which can be imposed in a civilized society.

Second, the bill provides a series of safeguards which constitute new law as far as the Criminal Code is concerned, which reduce to the absolute minimum, compatible with human fallibility, the risk or chance of a judicial error or a miscarriage of justice.

Third, this bill preserves a very important principle, that of individual responsibility, establishing as it does the essential distinction which exists between a murder that is planned, deliberate and committed with the spirit of gain or vengeance and a murder that just, as it were, happens on the spur of the moment.

Fourth, this bill recognizes that even in our twentieth century murder still exists and is an awesome crime, and that foul, deliberate murder must be punished by the most vigorous means at the disposal of society.

I should like now to go into some of the details of the points I have just advanced. First of all there is the question of deterrence. If I understood the hon. member for Vancouver East (Mr. Winch) correctly, he stated that capital punishment could only be justified if in effect it constituted a strong deterrent to the commission of the crime of murder. But the hon. member said that in fact it did not constitute such a deterrent, and second, if it did, it could not be proven and in such a case—although he did not say so in so many words, I think this is what he concluded—the murderer should be given the benefit of the doubt and should not face capital punishment or execution.

I believe it is true to a certain degree that statistics are not conclusive on the point as to whether or not more or fewer murders are committed when capital punishment is maintained in a country. However, comparisons are very risky in matters of this kind.

The hon. member for Vancouver East compared the rate of murder in countries where capital punishment is imposed with those countries where it has been abolished. The hon. member concluded that there was no difference and no conclusion could be drawn. However, certain statistics were placed before the royal commission on capital punishment which sat in the United Kingdom during the course of the 1952-53 session of parliament.

I believe it is worth while placing some of these figures on the record. The figures presented to the royal commission showed that in Sweden and Norway, for instance, many more murders per one million population were committed during the years when capital punishment in those countries was either in abeyance or had been abolished by legislative enactment.

The following are some of these figures. The mean rate of murders per one million population for the years 1900 to 1909 are 2.54, 2.73 and 2.60 for England and Wales. The figures are 5.4, 4.9 and 5.0 for Norway; and 7.1, 5.1 and 5.0 for Sweden. If infant murders are included, the comparable figures become, for England 4.1, 3.1 and 3.3; and for Sweden, 12.8, 9.0 and 8.2. If England and Wales had shown the same murder rates as Norway there would have been 2,800 more murders in those 30 years. If they had shown the same rates as Sweden there would have been 3,500 more murders.

In the opinion of the royal commission on capital punishment there is, therefore, some evidence showing that the death penalty is likely to have a stronger deterrent effect on normal human beings than imprisonment.

Mr. Speaker: Perhaps the hon. parliamentary secretary to the Prime Minister would allow me to interrupt, as it is my duty to do, it being five o'clock, so that the house may proceed to the consideration of private and public bills, the former having precedence, pursuant to section 3 of standing order 15.

PRIVATE BILLS

THIRD READING—SENATE BILL

Bill No. S-12, respecting Co-operative Life Insurance Company—Mr. Pascoe (for Mr. Ormiston).

THREE RIVERS—ST. LAWRENCE RIVER BRIDGE

Mr. Remi Paul (Berthier-Maskinonge-Delanaudiere) moved the second reading of Bill No. S-15, respecting the construction of a bridge over the St. Lawrence river near the city of Trois Rivieres.

Some hon. Members: Explain.

Mr. Paul: Mr. Speaker, the purpose of this bill is to obtain authority to build a bridge over the St. Lawrence river between two points; one on the north shore above Trois Rivieres, Quebec, and the other on the south shore below Nicolet, Quebec. As the bill concerns a district which is 100 per cent French in origin, I intend to give my explanation in French which, before this house, has an equal standing with the English language, the learning of which I am enjoying very much.

(Translation):

This piece of legislation in its present phraseology was passed in 1956. In that year, the Corporation du Pont de Trois Rivieres appeared before the house to solicit the right it is again requesting today, and under statute 4-5 Elizabeth II, chapter 71, La Corporation du Pont de Trois Rivieres was granted the privileges and rights it is now seeking from this house. What is the purpose of this bill?

The fact is that under section 11 of the Navigable Waters Protection Act, the governor in council cannot authorize the construction of a bridge on the St. Lawrence river, and I quote:

> No approval shall be given under this part of the site or plans of any bridge over the river St. Lawrence.

That is the only privilege, the only authorization sought by the Corporation du Pont de Trois-Rivieres.

As to the purposes and legal status of the corporation, they come under provincial civil law; in 1956, the Quebec legislature passed an act granting legal existence to La Corporation du Pont de Trois Rivieres and defining the objects of this public body as well as its rights and privileges. This provincial act passed by the Quebec legislature appears as a schedule to Bill S-15.

The bridge, which will link Three Rivers to the south shore, is an important economic need in the area. We all know that Three Rivers is Canada's second oldest town. It was founded by Laviolette in 1634, and we all know it was famous as a fur trading centre in the early days of the colony, and that two of its sons who had travelled extensively in Canada's northern territories even went to London, after the English conquest to obtain British capital that was needed to set up the Hudson's Bay Company, which later developed the wealth of Canada's northern areas.

Three Rivers started the iron and steel industry in the province of Quebec. Anyone familiar with the chronicle of the province will know that Three Rivers was the cradle of that industry. Indeed everyone has heard about the old iron or steel mills, which, when they were built in the early days of the colony, were to be the starting of a now very prosperous industry in our province and throughout the country.

Then Three Rivers became an important railway centre and it is widely known that today the city is mentioned as a world centre for the paper industry.

Three Rivers is the very core of an industrial area surrounded by larger cities like Shawinigan, Cap-de-la-Madeleine, Grand' Mère, La Tuque and Louiseville.

On the other shore, we have a farming community, Nicolet. The building of a bridge between Three Rivers and Nicolet will also promote an interesting market for all larger communities on the south shore of the St. Lawrence, like Drummondville, Victoriaville, Sorel, Richmond and Granby.

That is why the Three Rivers bridge corporation has no doubt that hon. members will grant the authorization requested in this bill.

This bill is the result of a publicity campaign launched in the common interest for the industrial, economical and agricultural development of central Quebec. I would be remiss if I did not mention the active publicity campaign launched to that effect by the Three Rivers *Le Nouvelliste,* the various radio stations, the chambers of commerce of Three Rivers and Cap-de-la-Madeleine, and the whole area, as well as the support given

the Three Rivers bridge corporation by all townships and municipalities, which surround that important economic centre.

Therefore I have no doubt that the corporation will be authorized to build that bridge across the St. Lawrence river. It will be 5,000 feet long and will cost approximately $30 million.

The present system linking both shores of the St. Lawrence river consists of a ferry service which, in 1960, carried over 1,300,000 passengers and more than 560,000 motor vehicles of all kinds. These figures emphasize the absolute necessity of that bridge.

The only privilege we are asking this house today is the authority to span the river; indeed, before the construction is authorized, the corporation will be required to lay its plans before the governor in council and permission will surely not be granted if the plans and specifications of that bridge are not in accordance with the regulations and the various federal acts which might govern such matters.

For those reasons, I hope the House of Commons will give this bill its whole hearted support so that the center of the province of Quebec will keep moving forward on the road to progress and prosperity.

Mr. Samuel Boulanger (Drummond-Arthabaska): Mr. Speaker, I should have been very pleased to second the bill introduced by the hon. member for Berthier-Maskinonge-Delanaudiere (Mr. Paul). However, on behalf of the opposition and on my own behalf, I wish to say that I approve this bill. This is not the first time that we have heard of the construction of a bridge in Three Rivers. Back in 1950, there was a discussion about whether a bridge or a tunnel should be built. In 1953, a group of able and earnest businessmen set up an organization to investigate the possibility of carrying out that project.

Many people have come out in support of the project for the construction of a bridge at Three Rivers. Among others, the member for Three Rivers (Mr. Balcer) mentioned that project on several occasions when he was in the opposition. So did Mr. Maurice Boisvert, the former member of parliament who, in 1956, introduced a bill similar to the one we are now considering today. I, myself, spoke in favour of the project in 1959.

Indeed, in 1956, a bill called "An act respecting the construction of a bridge over the St. Lawrence river near the city of Three Rivers" was passed here. A similar bill was passed by the provincial legislature on February 2, 1956. Both, the federal and the provincial governments have therefore given their approval to the project since that year. The only thing that remained to be done was to go ahead with the plan.

Various organizations were set up, including the Three Rivers bridge committee which had spearheaded the movement, for three years. The chamber of commerce of Three Rivers, the chambers of commerce of neighbouring municipalities and other organizations supported the movement. The radio stations, the newspaper *Le Nouvelliste*, all those who were interested, brought pressure to bear with the government of the province of Quebec, then headed by hon. Maurice Duplessis, to bring about its approval of the project. We know the unfortunate conclusion of those steps: Mr. Duplessis never gave his personal authorization, even though he had always declared himself in favour of the project.

Later, under the administration of Mr. Sauve, there was also a sympathetic approach to this project. Before the fall of the Union Nationale regime, under the Barrette administration, the proposal was favourably considered. As a matter of fact, Mr. Barrette said: "This is a project which should be implemented as soon as possible." Unfortunately the times and circumstances were unfavourable and the project was not carried out.

Fortunately we have today a provincial government placed under the leadership of a highly qualified man, Mr. Jean Lesage, who indicated he is in favour of the construction of the Three Rivers bridge. If we judge from the promises Mr. Lesage has already kept, we can say that this project will be carried out without delay.

As a matter of fact soundings are being made in the St. Lawrence at present to determine the best location for the foundation of the structure. Furthermore, a bill is before the provincial legislature and will be shortly considered by the members.

Mr. Speaker, it is no longer a matter of demonstrating the necessity of building a bridge between the shores of the St. Lawrence river at Three Rivers; it has been done already. Since we all agreed on the principle, it is now merely a matter of passing to the second stage, or to start work on the project in the nearest possible future. When this work is completed, it will be the conclusion of a campaign initiated many years ago. Needless to say, credit for this achievement should go to the whole population which has already given its moral and financial support, because people are anxious to be able to cross the river both ways without having to wait two and three hours or even all night when the ferry service is suspended. The present Minister of Transport personally

realized the necessity of a bridge there, for he once spent a whole night on the wharf of Ste. Angele before he could get back home after an evening of politicking on this side of the river.

So far, the Three Rivers bridge corporation, which remains the organization responsible for this undertaking, has appropriated up to $46,400 for plans and specifications, $28,900 of which represent the personal contribution of the people concerned.

This is a highly commendable gesture on the part of the two communities on both sides of the river, and one worth mentioning.

Other organizations which have also contributed to this achievement are the chambers of commerce, the radio stations which for many months now have often broadcast the slogan: "We need the bridge and we shall have it".

Indeed we shall, thanks to the authorizations given by the federal and provincial governments, but thanks also to the goodwill and sincerity of men who see in the building of this bridge a means of giving fresh impetus to industry and tourism in the area concerned and a means of checking unemployment.

So the Liberal party heartily supports this bill and hopes its provisions will soon be carried out.

(Text):

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I rise to support this bill. I am appreciative of the remarks made by the hon. member who has just taken his seat in regard to the support that this bridge is receiving from the people in the area of Three Rivers itself. As hon. members know, this bill was first introduced in the Senate in June, 1956, by Senator Dessureault and received the support of the government of Canada at that time. The responsibility put on the people in that area was that the bridge had to be built within a period of three years. It is gratifying to know that that responsibility has been accepted and, because of the spirit of co-operation among the citizens of that area, there is some hope that the bridge will be built in the very near future. The bridge will be a large project. It is expected it will be 6,500 feet long if the original plans of Dr. Pratley are proceeded with. Including the approaches, it will have a total length of 9,000 feet.

Some question has been raised both in the area itself and in the Senate since the original bill was first passed with respect to whether sufficient consideration has been given to increasing the width of the bridge because of the increase in the number of motor cars that will be using it. According to present plans, the bridge will be 26 feet wide which means there will be only two traffic lanes 13 feet in width. The suggestion has been made that a larger project should be considered involving a four-lane rather than a two-lane highway.

It is my hope and that of my colleagues that the bridge will be proceeded with as soon as possible. According to the last estimate, it is going to cost approximately $12½ million, with a maximum anticipated cost of $15 million. Over a period of years this bridge has been promised by politicians in provincial and federal elections in every constituency that will be served by the bridge. I accept the word of the hon. member for Drummond-Arthabaska (Mr. Boulanger) that the radio stations and civic-minded people in the area are interested in the bridge and that they have probably forgotten some of the election promises that have been made and are going to go ahead and build a bridge themselves. There are some questions with respect to this project that I think should be answered. The first one I should like to raise is why it should be necessary for the bridge to be authorized by the federal government. I am aware of some of the reasons but they do not seem to apply—

Mr. Woolliams: Do you know all of them?

Mr. Peters: I am not from the province of Alberta and I am not a Social Crediter. I do not talk about anything and everything like the hon. member does. There are some things I know and some things about which I should like to be informed. I will at least stand up in my place and ask my questions in a parliamentary manner. Certain questions were raised in the Senate in relation to this matter and Senator Méthot quoted certain parts of the Navigable Waters Protection Act. As quoted by him on page 478 of the Senate debates, section 10, subsection 1, of that act reads as follows:

> The governor in council may make such orders or regulations as he deems expedient for navigation purposes respecting any work to which this part applies or of which the plan and site are approved under any act of the parliament of Canada.

Section 11 reads as follows:

> No approval shall be given under this part of the site or plans of any bridge over the river St. Lawrence.

Section 3 reads as follows:

> Except so much of this part as relates to rebuilding or repairing any lawful work, nothing hereinafter in this part contained applies to any work constructed under the authority of any act of the parliament of Canada.

The problem is this. If the hon. member for Bow River (Mr. Woolliams) has anything to say, Mr. Speaker, I would be quite happy if he would rise in his seat and say it. I do not

think he adds anything to parliamentary decorum by speaking from his seat. There is an indication in section 11 that the St. Lawrence river may not be an international body of water at all points, but I presume that because of the hazards that might have been created in days gone by the St. Lawrence river was placed in a class different from other navigable waters with respect to the building of bridges over it. Section 11 of the Navigable Waters Protection Act makes it necessary for the people of Three Rivers and the surrounding area to come to parliament to ask for permission to build this bridge whereas such permission would not have to be sought in most other parts of Canada.

I believe this has worked a hardship on the people of that area and has made it possible for politicians in the federal and provincial field to use the bridge as a political football or political offering at election time because of the fact that the federal government has within its jurisdiction the power to grant or not to grant the right to construct a bridge in this area. Furthermore, there is the fact that the federal government through the Department of Transport and particularly through the board of transport commissioners is in a position to grant the necessary approval of plans that have been submitted and will be submitted in the future with respect to the construction and maintenance of this bridge.

It seems to me that the rules and regulations with respect to navigable waters in other provinces and the requirements as to a certain type of bridge over a body of water of a certain size should be sufficient to provide for the building of this bridge under normal circumstances rather than an application having to be made to parliament for the construction of the bridge. I know that the people of this area want the bridge and need it. I am pleased to support the bill. It is a stipulation of the law that the bridge must be proceeded with within three years.

I know that a bill was introduced by Senator Dessureault in 1956 and although the bill was passed the bridge was not proceeded with within the required three years. Therefore it was necessary to ask parliament again to pass a bill. It is my hope that the bridge will be constructed within the period of three years and that the people of the area will be able to construct it either with provincial assistance which they have been promised or through subscriptions which the hon. member for Drummond-Arthabaska suggested might be forthcoming from the people of that area.

I hope they will have the opportunity to build the bridge within the next three years and that it will be of service to the people on the north and south shores of the St. Lawrence in that area. I hope they will not be faced with the problem of having to go to the provincial government for financing in relation to the deficit that may occur before completion of the bridge. Having these things in mind, I support the bill and I ask the government to give some consideration to changing section 11 of the Navigable Waters Protection Act which makes it necessary for the people in the vicinity of Three Rivers to come to parliament to ask that they be granted the right to build this bridge.

(Translation):

Mr. Paul Lahaye (Champlain): Mr. Speaker, it is in my capacity as member of a riding adjoining the city and the county of Three Rivers that I feel entitled to say a few words in support of this bill, the purpose of which is not to construct this bridge but, if I clearly understand the situation, to authorize La Corporation du Pont de Trois Rivieres and the provincial government responsible for this construction, to build this long needed bridge between the city of Trois Rivieres and the south shore. I do not believe that anyone questions the necessity of a bridge there, because there are about 160 miles between the most easterly bridge from Montreal and the present bridge over the St. Lawrence in Quebec city.

The Three Rivers area and the city proper have a population of approximately 60,000. In addition the few industrial cities on the north shore, including Cap de la Madeleine, that I have the honour of representing in this house, as well as Shawinigan, Grand' Mère and La Tuque, and those on the south shore which are almost as populous, make up an industrial and farm population of about 200,000 near the site chosen for this bridge.

I am one of those who have had occasion to realize the need for a bridge there, because in the course of some work I had been doing previous to my coming to this house, very often I had to wait one or even two hours before I could get across the St. Lawrence river. These long waits are most unpleasant and, of course, hinder the industrial development of an area.

A bridge over the St. Lawrence would also prove a valuable asset to the development of the tourist industry. Nobody underestimates the touristic value of the St. Maurice area, especially the upper St. Maurice region. Thus a direct throughway from the United States would run through this promising area.

Mr. Speaker, the title of the bill pleases me very much:

An act respecting the construction of a bridge over the St. Lawrence river near the city of Trois Rivieres.

However, when I look a little further down, in section 1, I see that this bridge will have to be built about a mile upstream from the limits of the city of Three Rivers. Frankly, Mr. Speaker, without opposing this project in any way, for if I rise at this time it is to give it my fullest support, I regret that the bill does not provide for the alternative of building the bridge either east or west of Three Rivers. I refer particularly to the possibility of building it east of the city of Cap-de-la-Madeleine, for reasons that, in my view, are important. In fact, while I do not lay claim to special engineering experience, I have noticed that the north shore of the St. Lawrence river is about 30 feet higher east of Three Rivers than where it is proposed to build this bridge.

In order to span the St. Lawrence and not hamper ship traffic on the seaway, I wonder whether it would not be economical to have a higher base of operations of about 30 feet, at least on one side of the river.

There is also another reason. I wonder whether account should not have been taken of the fact that the best highway to the upper St. Maurice area runs east of Three Rivers. I understand that a slight straightening of that highway has been planned, from a proposed crossing point on the St. Lawrence, at Ste-Marthe-du-Cap, which could link up with the road commonly called the Shawinigan road, east of that point, which runs up into the St. Maurice area.

That magnificent highway would allow American tourists to enter directly into Cap-de-la-Madeleine, on the way to Shawinigan, Grand' Mère, La Tuque and, after a road has been built between La Tuque and Roberval —a project now in the planning stage—to make a magnificent tour through the national park, and come back by way of Quebec city.

Mr. Speaker, I do not wish to voice any objection to the building of a bridge over the St. Lawrence, because with all the citizens of the area I have fully supported the campaigns in favour of that bridge. I am referring now to the newspapers, chambers of commerce, all municipalities and radio stations which, for ten years, have had a slogan to promote this project. However, I should like to single out a remark made a moment ago by the hon. member for Drummond-Arthabaska (Mr. Boulanger), when he indicated that this request had been made to the Quebec government, when the Union Nationale party was in power and that, at the time, the approval of the great premier who preceded the present premier seemed only apparent. Mr. Speaker, you will no doubt allow me to point out to the house that this is quite illogical and that I have never known a statesman who has done more for his province, and particularly for his city of Three Rivers, than the former premier of the province of Quebec.

Mr. Speaker, I cannot conclude my remarks without expressing my most sincere wishes that representations already made by the people of the area about the construction of this bridge be continued. And I do hope that the formal promise the present premier of the province of Quebec made to Three Rivers not so long ago will be fulfilled as soon as possible in the interest of the population of the province of Quebec and of Canada as a whole, and more particularly of those who live in that region in the heart of the province of Quebec and who are especially interested in the construction of this bridge.

Mr. Maurice Bourget (Levis): Mr. Speaker, I do not think it is necessary to add much to the explanations the sponsor of this bill gave us because, since I live in Levis and have to cross over to Quebec every day, I know the many difficulties that are caused by the lack of a bridge or a tunnel between those two cities.

Mr. Asselin: If Mr. Lesage could build it.

Mr. Bourget: Since my hon. friend from Charlevoix (Mr. Asselin) says that Mr. Lesage will build it—

Mr. Asselin: He promised it.

Mr. Bourget: —he is absolutely right, and I can understand him very well.

Mr. Speaker, I would not have raised this matter if there had not been that interjection of the hon. member for Charlevoix—

Mr. Tremblay: Will he do it without levying taxes?

Mr. Bourget: —but on the other hand, when we consider the situation—

Mr. Tremblay: Is he going to do it without levying a tax?

Mr. Bourget: Obviously, you have not yet learned to shut up. After four years, you have not learned to be polite and to maintain a certain decorum in the house. Why don't you shut up?

Mr. Speaker, would you kindly call the hon. member for Roberval to order?

Mr. Speaker: I will certainly do so, but I would also ask the hon. member for Levis to address himself to the Chair and not to pursue private conversations with the said member.

The hon. member for Levis has the floor.

Mr. Bourget: Mr. Speaker, the reason why I did not address myself to you was that I knew you understood. Unfortunately, this is not the case of the hon. member for Roberval, who does not understand a thing.

Mr. Tremblay: Mr. Speaker, I rise on a point of order. I regret to see that the hon. member for Levis thinks you understand what he is saying. Personally, I will have to wait for the official record before I can make it out.

Mr. Speaker: Order. That remark was out of order, and so are the interjections from both sides. I would ask all hon. members to allow the member for Levis to go on with his speech.

Mr. Bourget: Mr. Speaker, I just wanted to say, in reply to the hon. member for Charlevoix, that the former premier of Quebec was the member for Three Rivers, and that for all practical purposes he never had anything to do with the building of this bridge. It is probably the Liberal government of the province of Quebec that will provide the city of Three Rivers, the city of Nicolet or another city in the area with the bridge that the people have been demanding for at least five years, because it is a fact that the bill now before us will be expiring soon and that it was passed in this house about five years ago.

Mr. Speaker, the purpose of my intervention is to state that, according to my information, both technical and economic studies were made; as a matter of fact, I am not sure they have been completed. Once those studies have been completed, perhaps it will be decided to build a tunnel rather than a bridge. Under the circumstances, I wonder whether the sponsor of the bill could inform us on this point and whether, in fact, it would not be wise to include the word "tunnel" in addition to the word "bridge". Thus if it were decided, for the reasons I have just mentioned, to build a tunnel, the petitioners would not have to come back to the house to have the bill amended.

Mr. Paul: In reply to the question of the hon. member—

Mr. Speaker: Order. I must point out to the hon. member for Berthier-Maskinonge-Delanaudiere (Mr. Paul) that if he speaks now, he will close the debate. I cannot let him have the floor if there are other hon. members who wish to speak in support of or against the bill.

I see that the hon. member for Montmagny-L'Islet (Mr. Fortin) wishes to speak.

Mr. Louis Fortin (Montmagny-L'Islet): Mr. Speaker, I shall certainly not delay the passing of the bill, but I shall point out to the hon. member for Levis that, if the bill were amended so as to provide also for the building of a tunnel, the Three Rivers bridge corporation would also have to amend its charter, and from then on, call itself the Three Rivers bridge or tunnel corporation.

Anyway, this is not what I proposed to say when I took the floor. I simply want to point out to the hon. member for Berthier-Maskinonge-Delanaudiere (Mr. Paul) and the hon. member for Champlain (Mr. Lahaye) that, even if we represent ridings which are at some distance from their own, and if the construction of a bridge at Three Rivers may only be more or less interesting for us, we want to assure them that we entirely approve their plan. We approve it the more that, if the Three Rivers bridge is ever built, we hope this construction will give the present provincial government the sound idea of building another bridge connecting Quebec and Levis. Indeed, as the hon. member for Levis (Mr. Bourget), pointed out a few moments ago, the present government of Quebec should build a bridge between Quebec and Levis. The hon. member for Levis said earlier that he crossed every day from Levis over to Quebec. I wonder whether he travels that way only since there has been a change of government in Quebec, or whether he did it as frequently before.

Anyway, and even if we do not live in the said area, we know the difficulties which face the people on the south shore who want to go to Three Rivers. I do not think that anybody could reasonably oppose such a bill, and I want to assure hon. members from the Three Rivers area, as well as my hon. friend, the representative of Drummond-Arthabaska (Mr. Boulanger), that we wholeheartedly agree with them. If the project is carried out within two years, it will, as I say, invite the provincial government of Quebec to build another bridge between Quebec and Levis.

Moreover, I would like to reassure the hon. member for Drummond-Arthabaska who said

a few moments ago that the former provincial government unfortunately lost the election before being able to carry out its project. He did say "unfortunately". Let me tell him that, if that bridge is not built within two years, the former government, which most probably will be carried back to power, will see that it is built.

Mr. Boulanger: Mr. Chairman, if I said "unfortunately" it was meant for Union Nationale members.

Mr. Speaker: I do not think there has been any misinterpretation of the words used by the hon. member for Drummond-Arthabaska.

Mr. Paul: Mr. Chairman, in answer to questions—

Mr. Speaker: I must inform the house—

(Text):

Mr. Deputy Speaker: I must inform the house that if the hon. member for Berthier-Maskinonge-Delanaudiere (Mr. Paul) speaks now, he will close the debate. I recognize the hon. member for Vancouver East.

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I have listened with a great deal of interest to the remarks of the hon. member for Drummond-Arthabaska (Mr. Boulanger) and of the hon. member for Timiskaming (Mr. Peters). From what they have had to say, particularly the hon. member for Drummond-Arthabaska, it is quite obvious that there is a matter of importance and urgency in connection with the construction of this bridge and therefore in connection with the passage of Bill No. S-15.

I may be some 3,000 miles away from this spot in question but I have a keen interest in it. Anything which is of importance to Canada or to any section of Canada and which is correct will have my support. However, irrespective of the statements made this afternoon by the hon. member for Drummond-Arthabaska and the hon. member for Timiskaming I must say that I cannot quite fathom what is behind this bill in view of what is of importance and urgency. Why do I say that?

I must, of course, refer to clauses of the bill but I do so only as to principle. I think that the sponsor of this bill owes an explanation to this House of Commons because one of the principles of the bill contained in clause 3 is this. It states:

> 3. The construction of the said bridge shall be commenced within three years after the plans therefor have been approved by the governor in council—

I direct attention to the words "three years after the plans therefor have been approved". As a matter of principle in this bill it is stated not only that shall there be three years after the governor in council has approved the plans but that there shall be then a period of four years before the bridge must be completed.

So after what we heard this afternoon, that this is a matter of urgency, we are now asked to support in principle a bill which provides that construction of this bridge shall not commence until three years after the approval of the governor in council, and it does not have to be finished until four years thereafter. In other words, despite all the urgency we have heard, the bill before us provides that this bridge does not have to be completed for a matter of seven years. I would also point out that these seven years do not refer to the period after the passage of the bill, but after commencement of construction.

May I also draw something else to the attention of hon. members because I think this is a matter of absolute principle. Canada is a developing country and the St. Lawrence and Three Rivers, of course, are sharing in that development. Yet right in Bill No. S-15, in the schedule on page 3, we find in paragraph 22 something upon which I wish to comment. I am now referring to strictly a matter of principle. This is something which I cannot remember ever being passed or agreed to by parliament.

What is the principle here, sir? According to the principle of this bill a period of approximately eight years may elapse before the bridge is completed. Yet we now have before us in Bill No. S-15—I hope I have your permission, sir, to speak to this principle—these words:

> During a period of eight years as from the sanction of this act and afterwards during the whole period of the utilization of the proposed bridge, no other person shall construct or operate a bridge, tunnel or ferry service over or under the St. Lawrence river between the north shore and the south shore and this, within a radius of 25 miles above and 25 miles below the site of the said bridge, subject however, to the rights of the corporation of the city of Trois-Rivières in the ferry service operated by it.

I think hon. members will understand the reason why I am speaking on this matter. Under this bill as we now have it, with all due respect to the urgency of the matter about which we have been told, it is laid down that they do not even have to start construction until three years after the governor in council approves the plans, and they then have four years in which to build it. In addition to this, it is said that as long as it is held open, be it five, ten or 100 years, no matter what is the development on the St. Lawrence in the area, 25 miles above and 25 miles below the site of this bridge nobody can build a bridge, tunnel, ferry or anything.

That is how this bill reads. I say that we need a factual explanation of this. Is it not something that may hold back the development of the area?

(Translation):

Mr. Paul: Mr. Speaker—

(Text):

Mr. Deputy Speaker: Order. I must inform the house that if the hon. member speaks now he will close the debate.

(Translation):

Mr. Paul: Mr. Speaker, since it is nearly six o'clock, I cannot deal with the few points raised by hon. members in this house, but I shall simply and briefly express my appreciation to hon. members who supported the bill.

(Text):

Motion agreed to, bill read the second time and referred to the standing committee on railways, canals and telegraph lines.

Some hon. Members: Six o'clock.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 7.30 p.m.

CRIMINAL CODE

REVISION OF PROVISIONS RESPECTING DEATH PENALTY

The house resumed consideration of the motion of Mr. Fulton for the second reading of Bill C-92, to amend the Criminal Code (capital murder).

Mr. Paul Martineau (Parliamentary Secretary to the Prime Minister): Mr. Speaker, before the adjournment I was citing certain figures which had been placed before the royal commission on capital punishment in the United Kingdom, which tended to establish certain things, such as the deterrent value of capital punishment to the crime of murder. I hasten to acknowledge that these figures were taken from an article published by the Rev. E. L. H. Taylor, M.A., Canterbury, who was chaplain to the Canadian Legion, formerly of the parish of Temiscamingue, which is in my riding. He presented a very learned discourse on the whole question of capital punishment. His article was entitled "Should Capital Punishment be Retained". This article was widely circulated and, moreover, was published in the *Canadian Bar Review.*

Those figures are applicable, I suggest, to the countries and those years for which they are quoted, but are they applicable to present day conditions? I do not know. Can we establish by statistics, absolutely and in a scientific manner, that capital punishment is, in certain cases, a deterrent? This is most difficult to establish because there is no valid basis for comparison. It is all right to say that one country has retained capital punishment and another has abolished it, yet there seems to be no difference in the rate of murders committed in each.

Mr. Winch: Mr. Speaker, would the hon. member permit a question?

Mr. Martineau: Certainly, Mr. Speaker.

Mr. Winch: Does the hon. member accept the figures of the United Nations in this regard?

Mr. Martineau: Mr. Speaker, I cannot accept them as such in view of the fact that I have not studied them with the dedication the hon. member for Vancouver East (Mr. Winch) has. I present these figures in an effort to establish that one can either make a case for or against capital punishment by the use of statistics. Certain learned individuals have made such cases, by figures, showing that capital punishment does act as a deterrent under certain circumstances.

We have the opinions of professional individuals who are dedicated to the hunting down of criminals. I refer to the commissioner of police for London, who testified before the royal commission, to which I have referred, giving examples establishing the deterring effect of capital punishment. That individual referred to a certain group of hoodlums. One of the members of that group was apprehended, convicted of murder, and sentenced to hang, but that sentence was commuted. That group continued its operations in the same way, perpetrating crimes of violence, including murder. Subsequently two members of that band were arrested, convicted of murder, sentenced to hang, and the sentences were carried out. Following their execution that band of hardened criminals discontinued its operations. It is the considered opinion of that man, whose life work has been devoted to dealing with crime in the largest city in the world, that capital punishment is a deterrent to murder, and I suggest his opinion should carry some weight.

In the debate on capital punishment in the United Kingdom House of Commons of February, 1955 the home secretary gave various reasons why that government was opposed to the outright abolition of capital punishment. One reason he gave in support of the government's rejection of abolition of capital punishment was the evidence of many experienced persons that the death penalty was

a unique deterrent to the professional criminal. I think that is a very forthright indication of the nature of the evidence placed before the commission, which spent years investigating the matter.

In Canada we have officers of the law charged with the enforcement of law and order, who have come to this same conclusion. I refer, as an example, to the opinion of the former commissioner of the Royal Canadian Mounted Police, Mr. Nicholson, who during an interview conducted by a reporter of the Ottawa *Citizen*, and reported in that paper in February 25, 1960, is reported as having said:

> It would not be an exaggeration to say the criminal fraternity generally would welcome abolition of capital punishment.

Therefore a strong case has certainly been established for the value of capital punishment as a deterrent. There is another thing to remember in discussing deterrents. One must keep in mind the kind of offence which now will be punishable by death. It is the deliberate type of murder; it is murder planned by stealth, cunningness, and all the sordid details that go with the commission of crime. It is precisely these people, Mr. Speaker, to whom the fear of capital punishment, the spectre of capital punishment, will be the most frightening. When they put into the balance or on the scales the pros and cons which would move them to commit their crime there is, I submit, a heavy weight against the commission of the crime when they know that swift and certain justice will follow in the form of execution by hanging. I think this cannot be denied. Even if after coming to the deliberate decision to commit crime and setting out on that sordid mission of murder, when everything else, every other feeling of human decency has failed, I still think that on the road to committing that crime prospective murderers will see the road sign which reads "To the gallows", and many may, even at that late hour, be deterred and not commit the crime of murder which they propose. That is why we cannot treat the commission of murder as a statistic because statistics are silent on the hidden motive that determines criminal offences.

With all the respect that is due to the hon. member for Vancouver East, who certainly was most sincere in his exposé of his thesis, I still heartily and fully agree with the Minister of Justice who states that statistics are not reliable because there are no statistics on crimes which are not committed.

Mr. McGee: Will the hon. member permit a question. Is the hon. member aware that Commissioner Nicholson, whom the hon. member quoted a moment ago, on a recent television panel discussion modified the statement which was attributed to him with respect to the application of enforcement; by that I mean the certainty of apprehension rather than the punishment itself.

Mr. Martineau: I thank the hon. member for York-Scarborough for his explanation which I accept, but if words have any meaning, when Commissioner Nicholson said "It would not be an exaggeration to say the criminal fraternity generally would welcome abolition of capital punishment" he meant just that; that the criminal would feel a lot safer in this country if capital punishment was no longer in force.

What else will this bill do, Mr. Speaker? I am absolutely convinced that it will reduce the incidence of crime that will be described and charged in an indictment having to do with a capital offence. I agree with the hon. member for Vancouver East that it is the trend of modern criminology and also the trend of the times, but the bill does retain the essential distinction between the deliberate, the planned and the non-deliberate, non-planned murder. It creates a new substantive offence of non-capital murder.

I believe it was the hon. member for Maisonneuve-Rosemont who said that this might cause a certain amount of difficulty for the crown attorney who must draft the indictment and decide whether a capital indictment will be laid. Certainly, it places a great responsibility on the prosecution office. I am sure the hon. member for Maisonneuve-Rosemont knows that the district crown attorney is not alone in determining what type of indictment or accusation will be laid. He must consult the attorney general's department. They have a staff of experts to deal with criminal prosecutions. I am sure also that in cases where there is any doubt in the mind of the crown attorney or of the provincial attorney general, or of his department, they will rather opt for the non-capital offence than the capital offence. This is normal criminal procedure and is entirely in line with the great principles that we adhere to in this country in the matter of justice, and especially criminal justice: The cases where it will be possible, first of all to lay a capital indictment; second, the cases, where it will be imposed; and, third, the cases where once imposed the sentence will be carried out, must be reduced to the absolute minimum. I say this well knowing that the application of this law may not be easy.

As a matter of fact, there is—and I am sure the Minister of Justice has thought of this question—the serious matter of the proof of

the offence. How are we going to prove that such and such a murder was a deliberate, planned murder? In how many cases is the planning done in the mind of the criminal and his deliberation is not known by anyone but his own secret soul? This is a very serious difficulty with which the law officers will be faced. But at the same time it is a recognized principle of law that difficulty of proof must not deter a legal principle. Today we are establishing new offences, the substantive offence of murder and non-capital murder, and it will be up to the law officers to apply the law with the greatest amount of care that lies within their competence.

Moreover, this bill which reduces first of all the number of cases where a capital offence may be laid, also places an intricate legal machinery at the disposal of and to the advantage of the man accused of a capital offence. Quite a bit of this is an innovation; some of it is an amplification of existing measures laid down as a safeguard for the man accused. They assure that he will have an absolutely fair trial and every possible means of defence will be placed at his disposal.

For instance, Mr. Speaker, when the present bill becomes the law of the land no person accused of a capital offence will be able to plead guilty. This surely is a reasonable enactment and disposition. When one faces such a serious offence as capital murder one's mind may very often not be too clear. One is under heavy tension and it may be that owing to despondency or other reasons a person accused of capital murder may plead guilty to an offence that he did not commit. This danger is eliminated. An accused man is not permitted to plead guilty to such an offence.

There are other safeguards provided. The law will now call for an automatic appeal of the case when an accused has been found guilty of murder. There is an automatic appeal from the court of first instance, to the provincial court of appeal. This is a reversal of the former legal disposition. An accused did have that right but he had to take the initiative in exercising it. Under the present legislation the initiative will no longer be that of the accused. The choice will no longer lie with the accused but rather the crown will take the initiative of lodging an appeal. The accused will be furnished free of charge with a transcript of evidence and other legal documents necessary to prepare his defence adequately.

Once the provincial appeal court has disposed of the case there is now an appeal as of right to the Supreme Court of Canada on all matters of fact, law, or mixed fact and law. That is another safeguard. Again, when the jury has found an accused guilty of capital murder it is the duty of the judge to ask the jury then if it recommends clemency in the particular case. The hon. member for Vancouver East was not sure whether such a provision would be better than the existing legislation in that regard. He felt that it was almost indecent to ask a body of men who have just condemned a man to pay the supreme penalty whether they recommend clemency. But, Mr. Speaker, under the existing law juries can and very often do recommend clemency for a man whom they have just convicted of a capital offence.

I am sure that the reason this enactment is in the present bill lies in the experience that many lawyers have had. I know I have had it myself. After a jury has convicted a man of this offence and has been discharged, the jurors will come and say to the lawyer that if they had only known they would have recommended clemency. This clause makes it impossible for a jury to fail to recommend clemency because of an oversight or because of a misapprehension of their position in that regard. To my mind this is an additional safeguard in favour of the accused person. By this bill, we are providing all these safeguards.

A new offence is created which will reduce the number of cases where murder will be punished by hanging. This whole procedure is all in favour of the accused and will tend to reduce the number of cases where the sentence of death will be carried out.

Mr. Woolliams: Would the hon. member mind answering a question? Is it not a fact that over the years it has been his experience and the experience of others that the very thing he is now discussing has differentiated between those people who have received clemency and those who have not? That is the crux of the bill. Whether it is this government or former governments, over the years that is the very thing that has differentiated between those people who have received clemency and those who have not.

Mr. Martineau: That may be so. I think the hon. member should bring out the details of his argument. It is a point most worthy of the consideration of the house.

I should like to deal with another matter for a minute or two. I was struck by a word that the hon. member for Vancouver East used in his speech. He said that capital punishment was so "irrevocable", and indeed it is irrevocable. That is why we must go so slowly in imposing it and in carrying it out. I also think it is against the trend of the times. But did the hon. member ever stop to consider that the death meted out to the victim of the murderer is also irrevocable?

The gravity of the offence, the irrevocable nature of the murder that is committed, the irrevocable loss of the innocent person who is going about his business and suddenly has his life snuffed out are factors that must also be recognized.

I know that the hon. member will perhaps say that I am advocating revenge and am treating the matter on an emotional level. No, I am not, and I do not think that should be the primary consideration. At the same time, however, society being what it is, we must deal with murder with the most energetic and vigorous means at our disposal. I know that the adherents of abolition will say that capital punishment is a survival of the dark ages and we should get rid of it. Yes, get rid of it, Mr. Speaker, but murder may also be a survival of the dark ages. There is absolutely no pleasant way to deal with murder much as we in our polished twentieth century society would like to forget these things, much as we would like to forget that murder does exist and to forget that it is the duty of society sometimes to protect itself and to impose capital punishment on rare occasions. Certainly we would like to banish all that but, still and all, murders do occur and they must be dealt with with mercy but also with justice because in the last analysis justice is the basis of our society.

That is about all I wish to say on the question of murder and its punishment. I sometimes think of the words of Shakespeare when he describes murder as "murder most foul". In speaking of Macbeth Shakespeare says at one point: "Now does he feel his secret murders sticking on his hands".

These are things that this house is seized with today, and that is why I must commend the Minister of Justice for bringing in this bill which is a step forward, a step in the right direction. It gives to the man accused of murder all the safeguards necessary for his protection. It treats him with clemency, treats him with mercy, but also maintains through justice that equilibrium without which society cannot function. The minister has certainly gained the great respect not only of the house but I am sure of the great bulk of our population in that he has recognized the exigencies of a modern society tempered with mercy but based on justice. He has found a middle path between the two.

This morning when the Minister of Justice made his opening statement on this bill he referred to the history of our western civilization in the matter of dealing with capital punishment. He referred to the days of King Henry VIII when, I believe, some 70,000 persons were executed. He referred to the days of Robert Peel when over 200 offences were capital offences. Today, we are again limiting the number of offences punishable by death. We are, therefore, following along the line of progress but we are not disrupting the essential functions of our democractic society. I support this bill, therefore, and once again I congratulate the minister and all those who have worked to bring about the introduction of this measure. I feel sure it will receive the support of a vast number of our population.

Mr. Winch: May I ask a question of the hon. gentleman? Did I understand him to say that his interpretation of the bill is that those who cannot afford it will have the best possible assistance in their defence? Does that mean that a chap like Mr. Branca, Q.C., or Arthur Maloney, great criminal lawyers, will be made available for the defence?

Mr. Martineau: No, I did not say any such thing. I stated that the transcript of the evidence and the other records that are necessary in order that the accused may establish his appeal and his defence will be delivered free of charge to the accused. I did not go further than that. If I gave that impression, I should like to correct it.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I rise to briefly express my views on this very important question and this very important bill. There is no necessity for me to take the time of the house by repeating the excellent arguments put forward in support of the principle of the abolition of capital punishment because they have been well stated by the hon. member for Vancouver East (Mr. Winch) and other members in this house. I presume all members of the house know that it is part of the policy of the C.C.F. to work for the abolition of capital punishment.

I listened with great interest to the minister's very well prepared statement of the history of legislation in connection with capital punishment and the efforts of various persons, organizations and members of legislatures to modify the legislation which imposes capital punishment. Throughout the years I have noticed with interest a growing public awareness of the importance of this question. I think that, as is the case with all reform measures and proposed amendments to legislation, we have to give credit to the pioneers who took a stand on this question when it was not by any means as popular to do so as it is today, particularly 40 or 50 years ago.

My attention was first drawn to the subject by the father of the hon. member for Vancouver East, who was then the member for Vancouver East in the provincial legislature. I had been brought up in a very traditional sort of way to accept the conventional attitude toward life and crime by my Liberal father

and my Conservative mother. I heard the father of the hon. member for Vancouver East speak on this subject in 1932. At that time I did not agree with him entirely, but his speech did cause me to give the subject some consideration. Since then, I have read a considerable amount on this subject. I have listened with interest to the debates in the provincial legislature and in this house and I have discussed the matter with a number of people.

I was particularly impressed with the standard of debate on the bill advanced by the hon. member for York-Scarborough (Mr. McGee), on both sides of the question. I was particularly taken with the argument put forward by the hon. member for Parkdale (Mr. Maloney). In addition to the debate in this house, there has been quite a stirring of opinion in the country. I think the last debate we had on this question did create a great deal of interest in the country. There are certain organizations that have worked for years for an amendment to the law, particularly the Society of Friends, organizations of that type, and many in all churches. There have been editorials in the newspapers and articles in magazines and the wardens of penitentiaries and other officers have given their opinions to various parliamentary committees. The welfare council of Canada and other welfare organizations on a provincial scale have also given this question serious consideration and expressed their opinions by resolutions and by correspondence.

I noticed after the debate in the house on the bill introduced by the hon. member for York-Scarborough, there was a big surge of interest in this subject in the press, in letters to the newspapers and I think generally speaking in the correspondence members received from organizations and individuals. I think that is a very healthy state of affairs and does indicate the value of focusing attention upon moral questions by debates in this house.

I think we must express our thanks to the member for Vancouver East and to the member for York-Scarborough for initiating these debates in recent years, and to all those who took part in these debates on both sides of this important issue. It is clear, even from the literature I have read over a period of years, that the attitude of organizations and writers is different today from what it was 30 or 40 years ago. We are in a changing society. This measure indicates there is a change in the public conscience on these questions and concern as to whether we have been doing the right thing by those who are unfortunate enough to commit crimes of this nature. I think to some extent the whole of society is responsible. No man is an island. We are all partly responsible for the crimes of an individual.

In my opinion, and I have thought a lot about this subject, I do not believe you can prove the arguments on one side or the other through the use of statistics. I have read the statistics very carefully and when you finish dealing with the statistics, you are pretty well on balance; you are where you started. In my opinion, this is a moral question. This is a matter of opinion on the moral question: Has the state the right to take a person's life? The members of this group believe that the state, in a Christian civilization, does not have the right to take a person's life. There are those who just as conscientiously take the opposite view.

This bill has been introduced because of the government's awareness of the growing public conscience with respect to this type of legislation. Those who support the abolition of capital punishment have a great deal of credit coming to them for creating public opinion and a public climate that has caused the government to take this progressive step. Like the hon. member for Vancouver East, I believe this a forward and progressive step. This amending legislation, makes our Criminal Code somewhat more humane. To that extent we welcome it and support it.

When reading the bill and looking through my files, Mr. Speaker, I found a copy of *The Bulletin* issued by the Anglican Church of Canada. I might mention the fact that I am an Anglican supposed to have Unitarian tendencies and be attracted to some aspects of pantheism. In any event, I am very much interested in what my church has to say on these questions.

Mr. Small: High or low?

Mr. Herridge: I had better explain, Mr. Speaker. I do not want to be misunderstood. I felt obliged to say that I was an Anglican. When I was a boy the Anglican church was supposed to be the Tory party at prayer. However, I want to remind hon. members that in quite recent years we have had an archbishop of Canterbury who believed in socialist principles, so we are well in the vanguard of reform nowadays.

I wanted to refer to this excellent bulletin on capital punishment. It deals with all aspects of it. The question has been given very careful consideration by a committee under the chairmanship of Rev. W. W. Judd of the council for social service of the Anglican church. I was taken with two paragraphs which I intend to read and which I think are particularly appropriate in view of the minister's decision to introduce this legislation. I read paragraph 1:

When one man deliberately murders another, the problem arises with the government and parliament as to what is to be done about it, and with him, in the interests of public safety, peace, order and good government. It is not a problem that can easily be solved simply by facts, reason, and argument.

We all realize that from the debates and discussions in this house. The paragraph continues:

Experience shows that it ultimately boils down to a question of opinion; opinion based on good understanding of all the facts and considerations, with good judgment, but involving also feeling, sentiment, and conscience.

Each person must make his decision with regard to his attitude towards this question on the basis of his own conscience.

On a later page in this copy of *The Bulletin* I read a reference to the Canadian Welfare Council which I thought was particularly appropriate after reading the terms of this bill:

The Canadian Welfare Council in a brief to the joint committee on the revision of the Criminal Code, makes the following policy statement, "The Canadian Welfare Council expresses approval of the abolition of the death penalty in principle, and recommends as a first step, the abolition of the mandatory death sentence." Their statement concludes with these words, "We believe that the adoption of this recommendation would lead to a gradual reduction in the use of capital punishment and provide an opportunity to note the effects on the rate of murder. We are fully confident that before too many years have passed the desired goal—complete abolition of the death penalty—would prove feasible."

I trust that the hopes of the Canadian Welfare Council as expressed in this resolution will be realized within a few years after this bill becomes law. That is why I am quite prepared to say it is a progressive step in the right direction. We support it on that basis.

One thing I regretted as did the hon. member for Vancouver East is this. I may say that although I am on the left wing of the party and he is on the right wing, we agree on a great number of questions. However, he mentioned the fact that he regretted that in the bill there was no mention of a change in the method of execution or of taking a person's life. We in this group are of the opinion that our present method is barbarous in the extreme. We regret that the bill does not include some revision or amendment of the present practice in that respect.

There is one other matter I want to mention before taking my seat, and I know I am speaking in the presence of persons learned in the law. When I look over at the other side and see the hon. member for Edmonton West (Mr. Lambert) looking at me I am deeply conscious of my lay status, shall I say, when it comes to this type of legislation. But on occasion I have been impressed and concerned with the complete lack of knowledge of the law and of understanding of the purpose and function of juries by persons called to serve on juries. It is not their fault. I have seen called to serve on a jury men who, because of their limited experience—they maybe live in isolated places—or because of their lack of opportunity had not the foggiest idea of what the jury stood for or what its real purpose and function was in a democratic society in giving effect to the principles of justice found in our legal codes. In talking to some of these men I could see that they were persons who, without this knowledge would be easily influenced by persuasive counsel. Mind you, that is a very serious matter when a jury is considering such crimes as murder and other serious offences under the Criminal Code.

I have felt for a long time—and I mentioned this matter once before in the house some years ago—that something should be done to correct this situation. I wonder whether the Minister of Justice for Canada could give some lead in that direction to the provinces. I presume that the primary responsibility would be that of the attorneys general of the provinces. I think there should be published some form of simple manual that deals with the history of the jury system, its purpose in our society, its function and its procedures and which possibly contains some elementary instruction on the rules of evidence and how to deal with these complicated questions and provides information on the status of the jury, its importance and its prestige in our society. I have talked to men who have served as jurors on a few occasions—and I am not saying that this frequently happens—who were quite unconscious of the serious and important function they were going to perform as members of a jury considering a very serious charge. I think something should be done in that connection.

When the minister concludes this debate I wish he would give to the house his opinion on whether something can be done under his direction or at his suggestion—I do not want to suggest "under his direction" to the provinces—to the attorneys general of the provinces or possibly the matter could be discussed by the Minister of Justice with the attorneys general of the provinces when they meet. I think they have a meeting annually in connection with uniform legislation or something of that sort. Possibly the bar association could give some consideration to the matter. I know that I am floundering here, Mr. Speaker, because I am a bit out of my depth. However, I have often felt that something could be done to improve the present

situation by providing a somewhat easily read simple manual along the lines I have suggested.

That is all I have to say at the present time. I intend to make a few comments when we are discussing the various clauses of the bill.

Mr. Terry Nugent (Edmonton-Strathcona): Mr. Speaker, I think when the House of Commons passes the bill before us this evening the system of justice in Canada will have taken a long stride forward. In fact I believe, bearing in mind that the administration of justice is perhaps the strongest indication of the state of civilization of a nation, civilization in Canada is taking with this bill a very long step forward.

It may be that, being one of those who has put the sanctity of human life so high that I am in favour of the complete abolition of the death penalty, I am perhaps looking with too much enthusiasm on this amendment to our present rather stringent law.

However, I do feel I am completely correct when I invite all my hon. friends to look at the process of civilization and to study history down through the ages. I am sure they will find that the more civilized the nation, the fewer are the crimes for which their citizens may be put to death.

It is true that in this bill we do not say that some crimes are now out of the death penalty category, but the division we have made amounts to the same thing. I suggest that the question of whether or not the death penalty should apply in Canada involves not just a purely legalistic study of the problems involved; it is not a matter of logic, of cause and effect which can be determined with mathematical certainty. What we must do is satisfy the conscience, the feeling as well as the common sense of hon. members of this house and Canadian citizens generally.

I do suggest that a logical approach, a study of cause and effect is perhaps going to be guided most by statistics; by a good look at what has been done in other countries and what is the effect of the removal of the death penalty in those systems where it has prevailed for some considerable time and where the degree of civilization is in other respects analogous to our own.

I will not attempt this evening to give the house any breakdown or go in detail into these facts and figures. We have had in this house a very thorough discussion along these lines. The hon. member for Parkdale (Mr. Maloney), for instance, has given us a very inspiring address on this matter as well as the considerable benefit of his own vast experience as one of Canada's leading lawyers. Along these lines we have had the very hard work and dedicated service of sponsors of various bills, including the hon. member for York-Scarborough (Mr. McGee). We have been besieged, I might say, with statistics which perhaps in some instances are as much confusing as enlightening.

One thing that has impressed me above all in the arguments that have previously been heard, which we have heard repeated in the house today and which causes me considerable anxiety—I almost said "anger"—is the argument put forward by those who are in favour of the death penalty and who continue to misquote abolitionists by saying, "It is argued that the death penalty is not a deterrent".

Mr. Speaker, I have not heard such an argument in this house. I do not believe part of the argument used by any of us who believe in the abolition of the death penalty is that the death penalty is not a deterrent. We merely state that life imprisonment is also a very strong deterrent. We are not convinced that statistics show that the death penalty is any greater deterrent or that its removal and substitution by life imprisonment has caused any significant change, in so far as we can see, in the number of capital crimes.

I should therefore preface the first part of my few remarks on this subject by saying I am grateful that we have taken such a step forward in justice and in civilization as to reduce the number of crimes that we may punish with the death penalty.

I look forward to our next step, when we may give full scope to our Christian and humane feelings and realize that there should be no death penalty; that in a civilized society putting to death any member of society it is merely, to that extent, recognizing its own failure to provide sufficient guidance to that person, or failing that person to some extent.

As we find ourselves more and more civilized we must admit that we hold a greater duty to our fellow man and I hope our failure, however slight it may be, will not be reflected in taking away his life so long as we can point to one iota of guilt on our own part for his offence.

I think the bill before us today reflects two or three principles that we who have had some practice, at least, in criminal law must recognize. First, a look at those offences which have been made non-capital shows that here are those offences which have given most trouble to judges and juries. Here are listed the categories of cases where trial judges I am sure would inform us they have found, in so far as they are concerned, that the crown had proved guilt beyond reasonable doubt; it was legally necessary for a jury

to bring in a verdict of guilty but the jury for some reason returned a verdict of not guilty.

I suggest that on looking over this list of cases it will be found that the jury has always failed to find that degree of moral guilt which would give them the necessary backbone, shall we say, to bring in a verdict of guilty when they knew it would result in the death penalty and when they felt the accused should not be put to death.

I think, further, that consideration of the breakdown of the bill before us now proposed by the government will show that by and large those non-capital cases cover most of those cases where the cabinet has commuted the death sentence to life imprisonment. I am not saying they will all be found there, but I do believe that taking the two considerations into effect; the unwillingness of juries and the results of consideration by cabinets over the years; practically all cases of non-conviction where there should have been conviction and commutations which have been handed down, would fall within these categories.

I suggest that perhaps we may have been one step further forward if we had given juries the right to consider each particular case a little further. Rather than leaving it to the crown to determine whether a particular case is or is not a non-capital case, perhaps we should have given the jury the right to decide this matter. If we had left upon the jury, the avenue of discretion in each case, or perhaps only in respect of those reserved capital cases, of considering the evidence brought before it, allowing it to present its own opinion regarding the capital or non-capital aspects of the case, I suggest we would have been further ahead with the jury system today.

These juries are, after all, selected from men and women of each constituency. They understand the circumstances existing in communities across the length and breadth of this country. It may be true to say that justice is rough and ready in one area while refined in another, but surely the individuals resident in those varying areas have a better appreciation of the circumstances involved, in respect of justice as it is found in those areas. I suggest that no more competent individuals will be found than the ordinary citizens of this country; the individuals who form our juries, who in turn decide whether an offence is of a capital nature against society, as society knows it.

In brief, I suggest that society, as we know it should regard a capital offence against itself not as a matter applying to the whole of Canada but, to a great extent, a matter of local application, which is familiar to those individuals who have lived, worked, played, and perhaps sinned in that locality. I cannot foresee a detraction in any way from our system of justice as the result of our stating that a different result may follow a different set of facts in different areas of this country. I suggest that we have not, as yet, invited juries to give proper and sufficient consideration to the facts presented to them.

Perhaps I may be permitted to discuss the question of capital punishment itself for a moment or two. We have relegated a certain number of crimes to that area which involves the punishment of death. I have mentioned that it is my belief and experience that many juries unwillingly acquit accused individuals of murder because of the knowledge that the death penalty will be imposed. If life imprisonment is substituted for the death penalty in cases of murder. I suggest that we will probably find many individuals inclined to acquit because the imposition of that penalty is against their belief, and may even be more repugnant to them. I know that statistics compiled by officials of various states of the United States, which have abolished capital punishment and adopted in its stead imprisonment for life as the penalty, show an increase in the incidence of capital offences. In view of this fact I am unable to understand the emphasis placed, by this present bill, on the deterrent effect of capital punishment. We have, in support of the deterrent to hardened criminals, only statistics showing an increase in the incidence of murder in those states which have retained capital punishment, while at the same time, in those areas which have actively attempted to abolish the death penalty, there has been little or no perceptible change. I am convinced that statistics will show that hardened criminals, who have been incarcerated, realize that this is the most effective form of punishment. I suggest, therefore, it is not the fear of death that has persuaded these individuals to refrain from committing murder, but perhaps the fear of life imprisonment itself.

It has been suggested that the abolishment of capital punishment in cases of murder, and the substitution therefor of life imprisonment, will increase the number of murders. Several of my laymen friends this afternoon, who are not lawyers, have suggested this possibility. I can perhaps understand their point of view, that juries should be instructed to a greater degree in respect of the application of the law regarding the imposition of capital punishment. However, I am unable to conceive of any case in Canada where the judge involved failed to make the jury fully aware

of the fact that it was the jury who were judge of the facts but must accept the court's instruction as to the law.

I do not understand the reasoning behind the suggestions of some hon. members regarding extra instruction, of this type, on the part of judges to juries in the proper handling of their duties. On the contrary, I suggest that what is needed is a common sense approach, so that the facts may be brought before the jury made up of ordinary citizens of this country who hold the lives of men in their hands.

Most of us in this house are aware that these individuals often hold our political lives in their hands yet find, when we are victorious, that we can trust their judgment. If we find we cannot trust their judgment regarding right and wrong, surely we should abolish the jury system completely. If we find we are unable to trust these individual citizens of Canada to that extent, surely we cannot trust democracy itself. My suggestion regarding instructions to juries in respect of that category of crime involving capital and non-capital offences involves the principle that if a jury is capable of electing a man who will partake in the making of laws, surely it is capable of understanding how to administer them. When we are only capable of putting our thoughts into words which we hope will embrace the broad general situation, and on which they must vote to elect their members surely those voters acting as jurymen are capable of deciding whether or not a particular set of circumstances falls within the principles embodied in the law.

I should like to conclude my remarks, Mr. Speaker, by reassuring the Minister of Justice (Mr. Fulton) that I am entirely in favour of the amendments embodied in this bill, although I must say, as a lawyer, that as a result of the passage of this legislation I anticipate more convictions than have taken place to date, perhaps as a result of the fact that juries may no longer be reluctant to convict because of the knowledge that the death penalty is inevitable. I do believe, however, that justice will be better served under this law than heretofore. I believe there will be fewer lawyers who will see their clients hanged while entertaining lingering and serious doubts as to their guilt.

Perhaps hon. members will forgive me if I make reference to a particular case, and I hope the hon. member for Parkdale (Mr. Maloney) will overlook my mentioning his name in saying that he, as a prominent lawyer, will have reason to support me in this suggestion. Recently there was the Coffin case and in the province of Alberta the Cook case; I feel I am safe in saying that defence counsel was in doubt as to the guilt of the accused in these cases, although they were both hanged. It is not necessary for a lawyer to believe in the innocence of the accused or even to have serious doubts about his guilt. However, individuals have been hanged while outstanding barristers have had reservations as to their guilt, and this fact alone should weigh heavily on the conscience of us all. It is, of course, only right to say that we all have great confidence in our system of justice, but it is very callous to say that we are perfectly willing to place our trust, in respect of the guilt of individuals, in our own infallibility.

This is what has happened. Hon. members know eminent counsel who have serious doubts about the guilt of people who have been hanged. I hope hon. members will understand that I am happy to know that we will have fewer hangings, and hon. members will also understand why I look forward to the day when we shall have none.

Mr. O. J. Godin (Nickel Belt): Mr. Speaker, I rise to place before the house my few remarks concerning what I consider a most important social problem. I refer to the abolition in some form of capital punishment in this country. It is my intention to be brief. I should like to pay tribute to those hon. members who in the course of this debate, as well as in similar debates in the past, have expressed important opinions on this matter. On this issue of capital punishment, and possibly on other major issues which have been discussed by the citizens of this country I must say that in spite of all that has been said in this house I have not materially changed my opinion on the matter. The history of the study of capital punishment in the world and of its abolition in certain countries is a long one and I must say a confusing one. Especially is this so if one were to use the study to make up one's mind as to what should be done in this respect in our country.

I do not find that in the month of May, 1961, the problem of capital punishment is an urgent national problem. I say to the Minister of Justice that we may find the consequences of this legislation important but I do not find that a bill of this kind is occupying the minds of the Canadian people to any great extent. If the business of the house permits it and if time is set aside to discuss this legislation, then I am prepared and most anxious to express my views on the matter.

Since this matter was brought up indirectly by the endeavours of and the promotion given to the problem by the hon. member for York-Scarborough (Mr. McGee) in presenting his private bill, and also by similar bills which have appeared on the order paper, we have

received many memoirs. The efforts of the hon. member and others have undoubtedly prompted Canadian citizens, organizations and especially churches—I appreciate their contribution very much—to forward their views and memoirs and to express opinions on the matter.

I am not speaking for members on the government side of the house; I speak with a free mind and what I say is my own opinion. However, I accept the responsibility of representing the many thousands of people of my riding of Nickel Belt, and I feel that hon. members in making their decisions must take into consideration the opinions, the wishes and the standard of life of Canadian citizens as a whole, and especially that standard which they would like to see implemented in Canada. In coming to the opinions which I am about to express I felt it was necessary to pay as much attention as possible to public opinion on this matter. I will not give statistics to which many hon. members have made reference; they are not always helpful. I will save much of the time of the house by not referring to the many documents which we have and which relate to this matter. However, I should like to emphasize that in speaking about statistics one thing must be kept in mind. Most of them pertain to the deterrent aspects of capital punishment.

I am afraid, Mr. Speaker, as I view those tables and cumulative figures, they mean very little to me because the statistics which we would like to have on this problem of deterrents are not available. In other words, I refer to the punishment which deters the commission of a crime. This deterrent is based primarily on the fact that the crime will not be committed. Therefore, throughout history there has been no way of knowing of the possible cases of murder which may have been prevented owing to the punishment which was attached to the commission of the crime. We find differences in statistics over the decades. We can make a study and in some way we can find a relation to world problems, and to wars which have occurred from time to time, connected with the commission of the crime of murder. But in no instance can one prove through statistics that the punishment has or has not minimized the commission of the offence.

I am of the opinion, as I have looked into this matter, that surely there must be a way of doing away with certain anomalies in the Canadian Criminal Code today. I would like to ascertain whether our courts are equipped to deal with this problem. As it is today, practically every case is brought to a final conclusion by the cabinet of this country.

I believe the Canadian people feel that there are types of crimes for which such a severe punishment as hanging is not absolutely warranted. Therefore, I would be prepared to approve of and support the general principles of this bill. However, Mr. Speaker, I have certain reservations as to how these principles can be implemented. I shall avail myself of the opportunity of discussing detailed problems concerning the bill when we are in committee of the whole.

On the whole this bill enunciates two principles. First, it distinguishes between the more culpable types of homicide which would require capital punishment and other types which would not. In this sense it does away with the problem with which our courts were faced in the past, namely in all cases to make a straightforward decision. As one discussed this matter with juries and judges in the past, one came to the conclusion that this position did not satisfy men placed in authority who were required to pass judgment in cases involving a sentence of capital punishment. Therefore I feel that the bill brings about this distinction as a major principle and gives to the crown and the courts the opportunity—I do not like to use the word "elasticity" in this instance—to use judgment in distinguishing the gravity of the offence of murder committed.

I realize that we are being asked to bring about a change in the way we will from now on punish those guilty of this most grave offence. There are only 265 members of the House of Commons and on behalf of the 18 million people of Canada we will make that decision. It is thus that parliament operates and undoubtedly, as with other difficult problems, the house must make this decision for itself and for the people.

In discussing this matter I should like to indicate how much I appreciate the documents that have been forwarded to me by many people. As the hon. member for Kootenay West (Mr. Herridge) did a moment ago, I should like to express my appreciation of the most complete memorandum forwarded to members of parliament by the Anglican Church of Canada. It is a most detailed report and it indicates how the council of that church divided on the question. If I recall the figures correctly, 58 voted in favour of the abolition of capital punishment and 40 were opposed. Undoubtedly the result of the vote was forwarded to us to give members of parliament the most detailed information as to the decision of that group.

(Translation):

Mr. Speaker, I had also the opportunity to read some French literature on that subject, and I should like to read to the house a bulletin from the Roman Catholic church of Canada, released at the time this subject was being discussed here.

I saw in *Le Droit* for Thursday, February 18, 1960, the following official statement from the Canadian Catholic Conference. That statement was published on the front page of the newspaper, and I should like to read an important paragraph which sums up the views of that group:

> In a bulletin published Wednesday, the Canadian Catholic Conference stated that the traditional teaching of the church is that the state has the right to impose the death penalty.

Needless to say, Mr. Speaker, the article does not go into details, nor does it give an opinion on the matter which awaits now and awaited then a decision from the government. Nevertheless, the article explained the general attitude of that institution toward the problem which is being discussed.

(Text):

Before I finish I must state that for a long time I have felt that too many sentences have been commuted as a result of appeals to the cabinet. I should like to refer to a graph appearing in a Canadian Press article in *Le Droit* of Monday, March 28, 1960. From reading the article I presume it was published because of the debate that had taken place in the House of Commons having to do with the punishment of murder in Canada. The graph outlines the number of murders and commutations of sentences in Canada in the period from 1930 up to and including 1959. Possibly because of the situation immediately after the war in Canada the number of murders, as a layman like myself can plainly see, increased greatly beginning around 1945 while at the same time commutations of sentences also increased. As we reach the year 1959 we see from the graph that the two lines representing murders and commutations are widely spread apart whereas in 1930 they were very close to one another.

In supporting the bill I must say, having in mind all the opinions expressed, that it is my honest belief that justice must be applied equitably having regard to all the circumstances. I am not too sure that the bill provides the complete remedy for that problem. That matter will undoubtedly be discussed in committee. However, I do think that the bill does make an effort to accomplish this end.

I recall that when I was at school I learned a principle that I appreciated very much. It was a Latin phrase I learned from my teacher, "In medio stat virtus", which means that the middle course is possibly the one nearest to what is right. Having regard to our Canadian way of life today, we believe that a remedy should be sought, but I am not one of those who would like to see capital punishment disappear altogether. Inasmuch as this matter was brought before parliament by a private member, I find it odd that the government, in this year in which it was going to solve so many economic problems, has brought before the house a bill which undoubtedly reflects the opinion of members who have spoken.

I cannot bring myself to believe in the complete abolishment of capital punishment. The letters I have received from many citizens indicate to me that the people of Canada are still prepared to distinguish between the man who follows the law and the man who disobeys the law. There must be that distinction, particularly when it is a case of taking someone's life by murder. The Canadian way of life is not that of a soft society in which people are tempted to say that although a man has not conducted himself properly other forces are to blame and therefore no distinction should be made between him and the person who follows the rules and regulations of society in every way. Therefore I am absolutely opposed at this time to the complete abolishment of capital punishment. I cannot perceive what may be the Canadian way of life in the future and the outlook on capital punishment. It may be that 50 years from now our society will have become very soft and may not think such punishment to be practical. As I know our Canadian way of life today, I feel sure our society is a strong one and not a soft one. It is not one which is prepared to do away with severity in distinguishing between those citizens who follow the rules and those who disobey them.

I am pleased to support the proposed bill which brings about certain required changes in those sections of our Criminal Code which deal with murder and capital punishment. As I have said, I am prepared to support the bill, and I trust that hon. members will give us more information on this subject as they speak tonight. I must say, too that although at the outset of my remarks I said I had listened to debates on this subject for the last few years and had not changed my position materially, I must state that this is not the result of any lack of desire to see the other person's point of view. I shall be pleased to continue to listen to the arguments advanced by other hon. members and I shall keep an open mind on the subject. If it is possible to change my opinion, I will certainly change it.

Mr. Arthur Maloney (Parkdale): Mr. Speaker, I will only say a few words because I know there are other hon. members who

are anxious to speak on this important piece of legislation. As I participate in the debate tonight, I cannot help but call to mind the arguments advanced in this house on February 18 and February 25, 1960, when we debated the bill so eloquently and so skilfully presented at that time by the hon. member for York-Scarborough (Mr. McGee). I recall very well the excellence of his argument and the excellence of the speech of the hon. member for Vancouver East (Mr. Winch) who spoke in support of it. I recall, too, the excellence of the speeches delivered by the hon. member for Calgary South (Mr. Smith) and the hon. member for Vancouver-Kingsway (Mr. Browne) who spoke against it. I remember the ardour and the emotions that those speeches and the other speeches evoked in the persons who participated in the debate.

I feel that the debate that is taking place today is the culmination of a long effort by the pioneers in this field, of many distinguished members of this house, including Mr. Thatcher, the member for Vancouver East and the member for York-Scarborough. I feel that in this piece of legislation the government has very sensibly and very carefully incorporated what was obviously the thinking of the public as expressed in the debate at that time by the various members of parliament who participated in it.

This is really, in my opinion, a very historic day in Canada. I recall that on the occasion of the debate in February, 1960, the attendance in the house was good and I particularly recall how crowded were the galleries as the citizens of Canada listened so intently to the speeches that were given then. Today is really an historic day. I regret that more members of the public are not here to share in its importance. I think we have reached a real milestone. The administration of justice in Canada has been advanced today by the presentation of this bill in a way that is of far-reaching importance.

I want to extend my congratulations to the government, particularly to the Prime Minister (Mr. Diefenbaker), to the Minister of Justice (Mr. Fulton) and to the Solicitor General (Mr. Browne), because after all those are the members of the government primarily responsible for the subject matter of this bill and for the way in which this matter has been brought before parliament. I will not forget in a long time the magnificent speech that was given this morning by the Minister of Justice. It will go down in the history of this country as one of the really important contributions to parliamentary debate in Canada. I am sure he must feel proud to know that in his capacity as Minister of Justice he has occupied the position of presenting a bill of such great importance in the history of our country, a bill which is imaginative and realistic.

This measure is not, as some members have said, an important step in the right direction or a first step in the right direction. I was looking last night for a means of describing how important an advance it is in the development of our criminal law. At that time I had the pleasure of meeting the well known and popular young columnist from the Ottawa *Journal*, Timothy Burke. I told him what was going through my mind. I told him I thought this was far more important than a first step, and I should like to find language that would be adequate to describe how important an advance in our criminal law it was. He told me the expression for which I was groping was that it was a seven league stride. This is indeed what it is. This is far more than just a first step in the advancement of criminal law in Canada.

There were some members who participated in the debate so far who expressed some doubt about the degree of support the measure would receive from various elements in the country. Speaking on behalf, I think I can say without any hesitation, of the entire bar of Canada in the practice of criminal law on the defence side, I think I can assure the government that the bill would receive their universal support. I think that the members of the bar who practise in that area of the criminal law express views that are entitled to the respect and consideration of this house.

There are those who will find it difficult to reconcile the fact that somebody like myself and the hon. member for York-Scarborough, who have expressed such strong views and have advocated so long the abolition of the death penalty, could now support this measure. I do not unsay a single word I have uttered in that respect over the years. Nor do I recall a single syllable that I spoke in this house on February 18, 1960. I firmly believe that the death penalty is absolutely useless and that it has no more deterrent effect than a sentence to life imprisonment would have. On the other hand, I have always felt, and particularly so since the debate took place in February, 1960, that abolition lacked that basic public support which is required if laws of abolition are to be successful. There is no law that is more peculiarly required to have public support than a law abolishing the penalty of death. I believe in abolition, but I believe it must be effective abolition and it cannot be effective abolition without the support of the public, and of a great majority of the public.

I recall that last summer, I think it was late in June, there was an outbreak of capital

crime in the city of Montreal. As I recall it, there were some 11 murders in approximately eight or nine days. I often thought to myself that if the bill presented by the hon. member for York-Scarborough had ever become law, every one of those crimes would have been attributed to the new law of abolition and we would now be confronted with a campaign to restore the death penalty. If the death penalty is to be effectively abolished, therefore, there must be public support. It is not sufficient to appeal to the government to bring about abolition. What the people who favour abolition, who sincerely believe in the wisdom of abolition, have to do is to create in the public an awareness of the futility of the penalty of death. Public support is an essential element of abolition.

What impresses me so much about the present legislation is the transfer to the jury of the obligation to decide whether or not an individual should be sentenced to death. As someone who has practised in the criminal courts for some 17 or 18 years now, I may say that my confidence in the jury system, my confidence in the integrity of the jurors, my confidence in their ability to somehow or other ultimately arrive at the right result in every case that comes before them increases day by day. I have faith that when they, as the representatives of society, are confronted with the issue of deciding whether or not the sentence of death should be passed, they will somehow or other arrive at the right decision. Of that I am sure. There are those who say—and I agree with them—that the new law will greatly reduce the number of occasions when individuals charged with murder will be convicted of capital murder; that is under the new law. Of that there can be no doubt, and that is exactly as it should be.

I was particularly pleased to see that, even in cases of murder where there has been a conviction, before sentence of death is passed the jury will be asked whether it is their desire to recommend clemency. That is a very forward step. That matter created a good deal of injustice I always found in the past. There were many juries who did not realize that they had any right to make such a recommendation or that there was any custom that would permit them to make any recommendation of mercy. However, I always felt that in these capital cases there were many juries in the past who would have recommended mercy had they been aware of the fact that it was within their province so to do.

This legislation will lend some standardization to that procedure in the future. In the past certain inferences were drawn from the failure of a jury to recommend mercy; and often juries which refrained from doing so, as I have indicated, did so because they were unaware of their right so to do or of the fact that a practice had grown up permitting them so to do if they so wished.

One feature of that aspect of the new bill which causes me a little bit of concern, and which I perhaps could mention more appropriately at the committee stage, is whether or not a majority recommendation from the jury with respect to clemency would be accepted. It occurs to me that perhaps not only should a recommendation of mercy be permitted by the entire jury but that if any member of the jury or any part of the jury desires to make such a recommendation it should, under the authority of that section, be forwarded to the Minister of Justice.

I am also very glad to note that under the new bill there is no interference with the present power of commutation and that there is no curtailment of the right of the governor in council to review every capital case in which the sentence of death has been passed. That is a power that should never be given up. I have in mind at the moment particularly the cases of individuals who are at present under sentence of death in Canada. I do not know how many there are; I imagine there are some 10, 11, or 12. It strikes me—and I say this with the greatest possible respect—that the government should consider the advisability of commuting every one of those sentences. It seems to me that under the present state of the law, or at least under the state of the law as it will be when this bill is enacted—as I so much hope and expect it will be enacted—a jury will be asked whether or not it will recommend clemency. It seems to me that the government, in reviewing the sentences of those who are at present under sentence of death, would be required to ask itself this question: What would the jury have done in the case now before us had this provision of the law been effective before today? There being some doubts as to what the answer of the jury might have been had that question been presented to them in such cases, it seems to me that very careful consideration should be given to the advisability of commuting every one of those sentences of death which have been imposed and which have not yet been carried out as of today.

Also, in the case of killings that result in the course of the commission of a felony, I should like to see either some consideration given to an amendment to the present bill or careful and discreet use of the power of commutation in order to make sure that the capital penalty is not exacted in any case in which death resulted, even in the course of the commission of a felony, in circumstances

that were accidental. That situation is not uncommon. The Rowe case in London, Ontario, a few years ago is an illustration of a death which resulted in the course of the commission of a felony but which was committed in circumstances that were unintentional and accidental. I should like some thought also to be given to the applicability of the sentence of death to accidental killing perpetrated, even though it may have been in the course of the commission of one of the felonies enumerated in what is now section 202 of the Criminal Code.

I was very much impressed to see the appeal procedures that are provided under the new bill. There is an automatic right of appeal to the court of appeal of the province. This does not represent much change from the present practice. However, the present bill greatly enlarges the jurisdiction of the Supreme Court of Canada. It gives that court jurisdiction to review something that it never has the right to review up until now. I refer to issues of fact in a case of this sort. Up until now the Supreme Court of Canada had jurisdiction only where a question of law was involved in respect of which that court had given leave or in respect of which there had been a dissent in the provincial appeal court whose decision was under review. This additional safeguard I think is further evidence of the desire of the government to see to it that, before any human life is exacted, no safeguard be overlooked.

The present law is a great improvement on the present English law which makes distinctions that have been absolutely unworkable. For example, it is capital offence in England to kill your victim by shooting, but it is not a capital offence if you were to kill him by some slow process of torture that would not amount to shooting. The law in England has proved to be unworkable. The law presented by the government today has avoided any of the unworkable features of the law at present applicable there.

I was hopeful that this debate would proceed in a way that would be non-political. It has been characteristic of this house and of every legislature of the commonwealth, to the best of my knowledge, that debate on the subject of the penalty of death and other related subjects should avoid the characteristic of political controversy. By and large, I think that we have suceeded so far today in the house in following the same pattern. One or two of us have overstepped the line a bit, in my opinion, but I should like to think that hon. members who speak from now on will, regardless of their political affiliations, approach this bill with that non-political outlook that I think it requires if it is to be effectively discussed and voted upon in this house.

I conclude then by saying that I admire the government for the courage it has shown in what it has done and for the excellence of the legislation it has presented and that I look forward to the day when the public of Canada, schooled in the needlessness of the penalty of death, will agree some day there should be presented a bill that will bring about its complete abolition.

(Translation):

Mr. Martial Asselin (Charlevoix): Mr. Speaker, before I start my speech, I should like to offer my most hearty congratulations to the previous speaker. Indeed, I am sure that the house had long been waiting to hear that learned speech which revealed the ability and skill my colleague has naturally acquired during his professional practice before the courts where he devotes his energy and talents to the defence of criminals. I wish to tell him how I appreciate his contribution to this debate.

During the debate on capital punishment last year, I had occasion to state my feelings on the necessity of a bill to abolish capital punishment and I mentioned various psychological, legal and sociological considerations in support of my argument.

I stated at the time, that in trying to set aside all possible motives for the retention of capital punishment, one should not ignore the miscarriages of justice which are always possible under our judicial system. If society has the right to punish criminals, it also has the duty of rehabilitating them and of playing to the fullest extent this long established humanitarian role.

I am glad that the Minister of Justice (Mr. Fulton) is bringing in today various amendments to section 202A of the Criminal Code to give a more adequate definition of the various degrees of guilt on the part of those who are accused of murder. In my opinion, such a definition comes at a most opportune time, when the people of Canada have been following with great interest the debates held here last year on this crucial matter. I feel that the public has given so much thought to this matter over the last few years, that, today, people from all corners of Canada look to our legislators for definite leadership with respect to that most important problem.

How many people who have been brought before the courts, could have benefited by the

interpretation of section 202A as it is amended today if the judge had been free to explain to the jurors the various degrees of homicide?

In my opinion, the definition of capital and non-capital murder is well timed. How often in the past have we experienced difficulty when we tried to obtain from a judge an adequate definition in order that the criminal intent of the individual indicted of non-capital murder be determined. The definition which the minister was kind enough to explain to us this morning is consistent, I think, with the continued evolution of our court jurisprudence on such a vital matter.

Some judges have in the past attempted to show jurymen that there was an important difference between the responsibility of a person committing murder under emotional impulse or extreme anger, and that of the person who has coldly deliberately arranged all the actions leading to murder. By giving this definition of capital and non-capital murder, the Minister of Justice indicated clearly an evolution of our jurisprudence which could greatly contribute to prevent misinterpretation of the actions of the man who has to answer before his peers for a charge of murder. The step taken by the government today deserves commendation because, as I say, it shows courage.

It is good that, at times, our system of justice be revised so as to clearly define the intentions of those responsible for giving our courts principles defining the whole subject of human existence and individual freedom. It was suggested this morning that the new definition of murder would place a tremendous responsibility upon the jury. Is it necessary to remind hon. members that, in the context of our present judicial system, the jury is master of the facts and must return its verdict according to the evidence before the court. The jury has always had the advantage of receiving charges from the judge not only in matters of complex legal details, but of interpretation of facts, as indicated in our jurisprudence.

Briefly, let us say that from the evidence he can bring out certain important points in the evidence and ask the jury to consider them attentively before reaching a verdict. This specific definition of capital and non-capital murder will dispense the trial judge of having to elaborate a definition so as to differentiate between manslaughter and murder.

The bill which was submitted today will ease the task of our judges and definitely confirm our jurisprudence on this very important matter.

The member for Maisonneuve-Rosemont suggested this morning that all jury decisions on homicide ought to be reviewed by three judges. I refer him to section 8 which says:

> In every case where the death penalty has been imposed, on any ground of law or fact or mixed law and fact, an appeal against this sentence is granted the accused.

I feel, Mr. Speaker, that this is a satisfactory answer to the suggestion made by my hon. friend that the sentence of the jury should be revised by three judges, if, as provided by the amendments now introduced, automatic appeal is available to the accused, in such a way that the sentence be revised by judges of the appeal court on the grounds of fact as well as law.

It was mentioned this morning that women should be exempted from capital punishment. I would agree in the case of non-capital murder, but not in the case of capital murder, because such an exemption would allow certain accomplices to use women to commit the crimes they are contemplating, since women would be exempted from hanging even for capital murder. I would also have liked to see the bill now before us authorize the crown to subject every individual accused of qualified murder to a medical examination, because psychoanalysis tends more and more to prove that criminals are mostly unbalanced people who, when they commit a crime, are unable to give their full consent to their act. We know that there must be, in our country, an element of proof when we decide to have an indicted person acquitted on the ground of mental illness. It must obviously be proved that at the moment of the crime, the accused was not sufficiently in possession of his mental faculties to determine the gravity of his action and be responsible for it. Now we know, Mr. Speaker, that psychiatrists will try to determine, by means of deduction and thanks to an examination of the accused after the crime, that the said individual was mentally not fully responsible when committing the crime, so as to be able to determine that his action might constitute a criminal offence, i.e. the *mens rea* and the *actus reus*. I therefore believe that the crown should be first of all asked to subject all persons accused of murder to a serious medical examination.

Like the hon. member for Maisonneuve-Rosemont, I am opposed to the system of

hanging which still prevails in this country. To my mind, it is obsolete and repulsive. It is time, Mr. Speaker, to change that primitive method for the electric chair or the gas chamber, and I hope that the minister will be able to tell us in committee whether the government would consider changing a method of execution which is objectionable to whoever has even the slightest notion of humanity.

I am therefore happy, Mr. Speaker, to support the bill before us. This is a necessary evolution of our legal system and I trust that the years will prove the government right, because I think that the consequences of this legislation will help those who are responsible for the administration of law give the indicted criminal every possible guarantee of a fair trial, and protect him as much as possible against all prejudicial contingencies.

(Text):

Mr. Frank McGee (York-Scarborough): Mr. Speaker, before offering my congratulations to the minister on the measure he has placed before the house I should like to thank him and other hon. members for their very generous references to the measure I placed before this house last year.

When introducing his bill today the Minister of Justice (Mr. Fulton), as other hon. members have noted, gave a fascinating and comprehensive review of the background and the movement over the years toward the abolition of capital punishment in this country, the United Kingdom and the United States. The minister was being unduly modest when he stated that he had sought to avoid the kind of result occurring from many of the decisions that have been made. There are references to that position in the homicide act of 1957 in England. This measure, which the minister has brought forward, is far more intelligent and far more difficult to assail from a political point of view. He has avoided many of the pitfalls in this bill.

When I placed before this house my bill on the abolishment of capital punishment I advanced five arguments in support of it. Of course, the first was the proposition that capital punishment is not and cannot be demonstrated to be a unique deterrent. Accompanying that proposition was evidence which shows that many countries and jurisdictions have found an acceptable alternative, the deterrent of life imprisonment. This bill, as proposed, does not refer to that proposition except in respect of the realm of public opinion, in respect of which I will speak in a little more detail later.

The question of morality in regard to capital punishment has been discussed, particularly that aspect of capital punishment which involves the degeneration and demoralization of all those individuals who are directly or indirectly connected with it. There is, of course, the record of the curious reverse effect of justice, in that juries have increasingly been reluctant to bring in verdicts which might result in the hanging of an individual. I feel this situation will be substantially corrected by measures contained in this bill, and in this respect, I congratulate the minister.

The most obvious objection to capital punishment is the irrevocable result. I will not reiterate, at this time, my statements in respect of this factor, but will only point out the additional safeguards contained in this bill, which will reduce the possibility of an unfortunate yet conceivable error in hanging an innocent man.

This proposed bill includes reference to the age limit at which an accused and convicted murderer can be hanged. It is one aspect which I feel is very acceptable, and which has been anticipated by many hon. members. This will remove the possibility of a situation existing where a judge would be required to sentence a 14 or 15 year old child to be hanged, when everyone, with the exception perhaps of the child, would be aware that the sentence would not be carried out.

There has also been considerable discussion regarding methods of execution; whether an individual should be hanged, electrocuted or put to death in the gas chamber, and whether the recommendations of the joint committee should have been incorporated in this bill. In this regard I mentioned in a speech made earlier this session that the method of execution is somewhat aside from the issue involved. I would suggest those individuals who favour the retention of the death penalty as a deterrent are somewhat inconsistent. They feel the death penalty should have menacing overtones. If that adds to the deterrent, then surely they must be in favour of hanging convicted individuals.

An aspect of this subject which I hoped would be dealt with in this bill has regard to the question of insanity. In that area, I suggest, there is much left to be desired. The hon. member for Charlevoix (Mr. Asselin) put forward a suggestion in which I think there is merit. I would follow his suggestion that perhaps a partial solution to the problem would be the embodiment of a principle of Scottish law regarding the diminished mental responsibility in respect of some murderers.

As one who is untutored in the law, I feel it would be relatively simple to add a clause defining non-capital murder to include those cases where evidence of diminished mental responsibility is apparent. I should be grateful to other hon. members in the medical and legal professions, more learned than I, for assistance and guidance in this connection.

To return to the question of public opinion, the minister made reference to the fact that in 1947, and again in 1950 the Canadian institute of public opinion made two inquiries with almost identical results, in that 68 per cent were in favour of retaining capital punishment, and 23 per cent were in favour of life imprisonment. I pointed out earlier in this session that a more recent poll was conducted last year, and I feel the results of that poll should form part of the record of this debate. The results of that Gallup poll are; 51 per cent in favour of the retention of capital punishment, 41 per cent in favour of abolition of capital punishment, with 8 per cent of no opinion.

The matter of deterrence was dealt with by the minister. He made reference to the Gowers royal commission held in England. The minister's statement in respect to this commission had reference to the fact that no statistics existed concerning the number of murders which are not committed. This same point was raised during debate last year, as well as this year. Sir Ernest Gowers, following his chairmanship of that royal commission, wrote a book from which I have quoted during earlier debates. His book indicated that at the beginning of that commission's hearings he was a retentionist, but at the end of the hearings he was an abolitionist. I feel the epilogue to that book has relevance to the statement made by the minister, and I should like to quote a portion of it. The portion in which I am interested, and which I feel has relevance, reads as follows:

> There remains the argument that without the uniquely deterrent value of capital punishment more murders would be committed. This is the only serious utilitarian argument in favour of capital punishment, and the one on which throughtful supporters of it almost wholly rely. It is also the argument that can be put most readily to the test of evidence in the proper sense of the word; and, as we have seen, such evidence as there is goes to show that the abolition of capital punishment does not in fact have this result.

The minister's statement in support of retention of the death penalty as such, was something less than an argument to that effect, and leans, I notice, very heavily on the matter of public opinion. This is, of course, as it should be. This reference occurred on a number of occasions. The minister suggested that the bill should broadly reflect and support public opinion. He goes on later to say:

> We have taken account of the fact that the country, as reflected in the house, favours retention of capital punishment.

That certainly is so. Earlier this afternoon the hon. member for Fort William (Mr. Badanai) said that a free vote on the question of abolition or no abolition was required to test public opinion both in the country and in the house. With the greatest respect for the hon. member who supported my bill last year, I would suggest to him that he at that time, or even now, should have made an individual sampling of this house, as I have done, not only in analysing the debates but in discussing the matter with private members, and he would have found beyond any shadow of doubt whatsoever that a bill such as the one I proposed last year would be defeated and decisively so. It would be putting one's head in the sand to think that an alternative result would be obtained.

The minister went on to say:

> —and have produced a bill which represents our views of what is the kind of law by which Canadians would wish to be and should be governed.

A later reference reads as follows:

> In our view, Canadians properly attach so high a value to the sanctity of human life, that the law which translates this feeling into effective form should provide the maximum sanction for its deliberate breach, and no other penalty would be considered adequate.

Again the reference to the public view. Then, later, in the next paragraph we find this:

> —this bill reflects the view that Canadians are not prepared to accept the abolition of the death penalty.

There is at least one more reference to the public in the concluding remarks of the minister where he said:

> We submit this bill, then, Mr. Speaker, in the belief that the protection of society demands that one who deliberately commits murder should be liable to the death penalty, and that this reflects the views and demands of Canadian society.

I agree, Mr. Speaker, with the point very tellingly made by the hon. member for Peace River (Mr. Baldwin) and the hon. member for Parkdale (Mr. Maloney) that it would be folly now to move considerably ahead of public opinion in this matter and bring down a bill which would abolish capital punishment only to have an aroused and disturbed public opinion force the restoration that other members have suggested. In such an eventuality the cause of ultimate abolition would be set back at least 25 years.

As I have said, the minister, having properly emphasized the essential ingredient and importance of public opinion in this matter, must certainly appreciate the degree to which public opinion has altered in this regard. In the figures he mentioned the abolitionist

group in Canada stood at 23 per cent a relatively few years ago. Last year that figure had risen to 41 per cent, and there is little doubt in my mind, Mr. Speaker, that ultimately this opinion, which has grown substantially in the last few years, will continue to grow and will pass into the majority opinion suggested a few minutes ago by the hon. member for Parkdale. I will, and I know this is true of every abolitionist, do everything I can to hasten the arrival of that day. I would hope also that the careful and repeated reference to public opinion on the part of the minister in presenting this bill will also be repeated when public opinion favours abolition, as I am certain it will do.

Last year the hon. member for St. Jean-Iberville-Napierville (Mr. Dupuis) made this statement in the concluding part of his remarks:

> Let me emphasize one truth: *Vox populi, vox Dei.* The voice of the people is the voice of God. If you want to know what God thinks, ask the people and you will know.

I think that when the people are asked in a relatively few years what their opinions and views are, there will be a decisive reply to the effect that capital punishment should be abolished. Many hon. members who have participated in the past and at the present time in the drive to abolish capital punishment have described this bill as a milestone and an important step forward. It has been described also, Mr. Speaker, as a measure which tempers justice with mercy, and mercy with common sense. It will, I know, receive the support of all hon. members in this house ultimately interested in the abolition of the death penalty, and it will serve as an example in the political history of our country of an outstanding case where effective government leadership has led toward an essential ultimate goal.

(Translation):

Mr. Remi Paul (Berthier-Maskinonge-Delanaudiere): Mr. Speaker, last year the hon. member for York-Scarborough (Mr. McGee) sponsored a bill which captivated public opinion at the time. After two days of debate, a considerable number of members stood up against the abolition of capital punishment while a lesser number stated their support of such a move. I think that all those who had the opportunity of expressing their views last year were inspired by a common spirit, a sincere wish to improve the situation according to the people's desires. I took part in that debate and I expressed my opposition to the bill sponsored by the hon. member for York-Scarborough. My reason for taking that stand was to protest against the freedom which the bill was going to give to the most hardened criminals, the most repulsive killers while, on the other hand, I was in favour of any legislation which would show true humanitarian sympathy to anyone who, in a moment of mental weakness, would have committed a murder.

Even though they took opposite stands, I think everyone aimed at the same thing, that is to bring the people of Canada to express their opinion on a problem on which parliament's attention has been focussed for forty years. The only difference between the two groups was the means they were suggesting to achieve that end.

Indeed, if one takes a retrospective glance at the various bills which were introduced in this house, one will see that as far back as in 1912, the hon. member for Montreal-St. James, Mr. Wilde, moved that capital punishment be abolished. I suppose that idea had not yet made its way or perhaps events were not as favourable then as they are today with respect to the amendment now introduced by the minister. Be that as it may, I feel it is every member's duty to congratulate the minister on the bill he is introducing for our consideration today.

However, even though I do not wish to play politics with this matter, I think that each and everyone of us should explain this legislation and publicize the excellent speech the Minister of Justice (Mr. Fulton) made in the house, this morning. In my opinion, this question of the abolition of capital punishment is far too important for us to make a political football out of it to achieve personal ambitions or popularity when human lives are at stake. If, on the one hand, the state considers the fate of the murderer who must pay a debt to society for the crime he has committed, on the other hand society must also consider the needs of those who are deeply affected by the passing of the human being whom the murderer has just killed.

I think this bill is timely, because it constitutes a link between two schools of thought which are looking forward for an improvement which modern times, the evolution of thought and systems demand and which has become imperative.

As far as I am concerned, I shall support the bill because I think, in my humble opinion, it corresponds to the feelings I expressed last year when I took position against the bill introduced by the hon. member for York-Scarborough, because I wanted, so to speak, to have truth strike a middle course.

However, in considering the bill closely, I note some interpretations which I think doubtful. I may be wrong, but on the other

hand, after a serious reading of the various sections of this bill, a question comes to my mind which I shall put to the minister.

The explanatory notes opposite section 1 indicate that the definition itself of murder remains unchanged. When we read the definition of a culpable homicide in section 201, paragraph (a), subparagraph (ii), we find that:

Culpable homicide is murder
(a) where the person who causes the death of a human being
(ii) means to cause him bodily harm.

Now, if you read the exact wording of section 202A, you see that the difference between a capital and a non-capital murder is based on the intention of the person who commits the crime. What is the possible distinction between the actual definition of the murder and the definition to be found in section 202A, subsection (2)?

I wonder whether the Minister of Justice, when the bill is considered in detail, could not define more accurately the wording of the bill by adding, for instance, the following words: Murder is capital murder, in respect of any person, where it is—and perhaps it could be mentioned—arranged, decided, planned and deliberate. That way, there would be no doubt as to the category of the murder.

(Text):

Mr. Speaker: Order. The distinction between murder and capital murder is, of course, an important principle of the bill, but when the hon. member referred to clarification in committee I think he was quite right that the details of distinction and definition might better be left to the committee stage.

(Translation):

Mr. Paul: I endorse your remarks, Mr. Speaker, but on the other hand, I feel that during the discussion of this bill, we must point out matters which, in our opinion, are significant in order that this legislation which is extremely important and has been discussed for several years, might achieve as fully as possible the purpose for which it was designed.

For instance, under the amendment to this act, a person committing a capital murder will now be liable to imprisonment for life.

The hon. member for Maisonneuve-Rosemont (Mr. Deschatelets) wondered this morning whether life imprisonment really means for life.

The bill also provides that a murderer under 18 would be exempt from a capital murder charge. As for me, by reason of the evolution of our young people today, and of the many crimes committed by juvenile delinquents, I wonder whether that age limit should not be brought down to 16 or 17.

Nevertheless, I heartily endorse the bill in its present wording, but it might be wise to consider the advisibility of reducing the age of 18 years to that of 16 or 17.

In order to ensure that the law will be properly applied, I also wonder if the attorney general and the crown attorneys should not automatically lay a charge of capital murder when it is proven at the hearing that the crime, by the way it has been prepared and perpetrated, would justify such a charge. When such a charge has not been laid, the accused would have committed a capital murder but would not have been charged accordingly, for then it would not be anymore a specific crime.

The act, as it is submitted to the house, protects any person accused of murder, in order that only genuine murderers be hanged; when the murder has not been premeditated or is accidental, the penalty is life imprisonment.

Under 13, the trial judge may ask the jury if it wishes to recommend the murderer to the clemency of the court. I think this clause places the jury in a difficult position. Anyone who has some experience of murder trials knows very well what a strain it is for those who have to try one of their fellow men. After being shut in and kept apart from the others for three, four, five and sometimes ten days, their nerves are shattered and it is with much difficulty that they return a verdict which up to now involved, in most cases at least, capital punishment.

Then, before passing sentence, many a time before the relatives and the friends of the accused, the judge would ask the jury: Do you wish to recommend the murderer to the mercy of the court? If so, I shall report accordingly to the Minister of Justice.

Not a single juryman would have the courage to oppose mercy towards the murderer, and either through fear or embarrassment, the judge's request will be granted. Would it not be easier for members of the jury when the presiding judge is addressing them to be enlightened on the advisability of returning a verdict which might include certain considerations for clemency.

Therefore, this recommendation of mercy that the jury would have to make to the court in favour of the accused would have been carefully considered and decided upon

under more human and less embarrassing circumstances than those that a jury will be faced with after having convicted an accused of capital murder.

They should normally object to mercy, by refusing to reply on behalf of the accused to the question that the judge presiding over the hearing would put to them.

I respectfully submit that such procedure puts the jury in a difficult position, and I wonder whether charges along those lines made to a jury before it retires to consider its verdict would not afford all murderers the same advantages and protection.

The minister will no doubt give us information as to the possibility of defining as a capital murder a second crime committed by an accused.

Let us suppose for a moment that an accused convicted of non-capital murder and sentenced to life imprisonment is released after 15 or 20 years and commits another murder.

In order to protect society, should we not then automatically define as capital murder that second murder committed by such a person?

This morning, the hon. member for Maisonneuve-Rosemont (Mr. Deschatelets) seemed to plead for the fair sex, and invited the house to adopt an amendment to the act so that women be exempt from hanging.

Mr. Deschatelets: It is one of my weaknesses.

Mr. Paul: Maybe he was inspired by sympathy, maybe it was love for the fair sex—

Mr. Deschatelets: It could be, for that matter.

Mr. Paul: But I wonder if it is with deep conviction that the hon. member made that suggestion to the house.

Unfortunately, we still remember the case of that famous murder which was premeditated, planned and carried out a few years ago by a certain woman, when a plane crashed at Sault-au-Cochon, not far from Baie St. Paul in Quebec.

I think the woman who had planned such a crime deserved the punishment she received.

I therefore think we should not make any exception for women if they are coward enough to plan the suppression of one of their fellow human beings.

Those are the few remarks I wanted to make in this house.

I am sure that at the conclusion of this debate, we shall have taken a great step to meet the requirements of the two schools of thought. On the other hand, while society must be protected, it must also protect. So it continues to lend a compassionate hand to those who, through weakness, passion or distraction, have committed a crime.

I feel that in maintaining capital punishment for capital murder, we are giving a further proof to the Canadian people that Canada has had this legislation in its statutes for many years and that the members of this house intend to keep it, in order to ensure continued protection to society, the family and the individual.

(Text):

Mr. H. F. Jones (Parliamentary Secretary to the Minister of Veterans Affairs): At the close of this great debate which has excited the interest and the emotions of Canadians, as have similar debates in other countries on this subject, I think it is fitting to pay tribute to all those inside and outside of this house who have played a part in reaching the position that we are in today in relation to a possible solution of this problem through the medium of this bill. I think that the abolitionists, and those who have favoured keeping the Criminal Code as it is, will greet this bill with considerable relief.

The bill represents, in my view, a great step forward. It removes the death penalty for those murders where premeditation is not a factor. This is a great advance. It retains the death penalty for those persons who have decided themselves that someone else's life shall be forfeited. I feel this has been one of the factors in the arguments both inside and outside of the house for retaining the provisions of the code as they are at the moment. There has been a fear that those who commit planned murders, those who engage in crimes which could well result in murder, might not receive full justice if abolition were brought about.

The hon. member for Parkdale (Mr. Maloney) mentioned with favour the provision to leave clemency with the jury. In his remarks, he suggested that perhaps this verdict should not be arrived at unanimously. I have great respect for the opinions of the hon. member for Parkdale, particularly in this field. I do believe, however, although his suggestion is one that should interest the members of the house and should receive their serious and deep consideration, that the retention of the unanimity rule in so far as clemency is concerned would result in a much

more thorough examination by a jury of the question of whether or not clemency should indeed be recommended.

The jurors when they get together by themselves to decide these matters, if they are placed in a position in which the majority could decide whether or not there should be a clemency recommendation, I feel would tend not to give the serious consideration that should be given to a recommendation for clemency. The tendency might be merely to let a majority ride and not to explore all the aspects of the case which should go into such a serious recommendation. I believe there is also a clause in the bill permitting the governor in council in commuting a sentence of death to direct that the prisoner shall not be released from the imprisonment to which the sentence is commuted without the prior approval of the governor in council, and this applies to capital murder. I wonder whether consideration should not be given to including within the bill a similar provision in respect of those murders which are not capital murders. Otherwise we might have people being released from prison after paying a relatively short penalty and without that serious consideration which should be given by the highest authority to the release of a person who has committed a murder.

Those were the two thoughts I wished to place before the house. I wish to close by complimenting the minister on this step forward. I think it will meet with general approval. Indeed, from the reports that I have read and the opinions of lawyers that I have heard on this matter, I believe it is generally regarded as being a great and imaginative solution to this question which has exercised Canadians as a whole over the last four or five years.

Hon. W. Earl Rowe (Dufferin-Simcoe): Mr. Speaker, an issue that concerns the sanctity of human life affects the emotions of everyone in the House of Commons. I can quite understand the zeal of the hon. member for York-Scarborough (Mr. McGee) and the support he has had from the hon. member from Parkdale (Mr. Maloney) and others on this rather moral issue. It is an issue that far transcends party lines. I can appreciate the attitude of those who feel keenly about it. I think it is a matter of deduction to arrive at what is actually meant by the sanctity of human life.

I believe I have a very kindly heart. I have terrific sympathy for anyone who even is obliged to go to jail for the commission of a crime, whether it is stealing a loaf of bread for his family, exceeding the speed limit with his car, or something else. However, while I am not a lawyer, I notice that there are degrees of penalties. A man is fined so much for going through a red light. He is fined much more if he kills a child running out on the road on the way from school. He is fined much more and he loses his licence if he is convicted of manslaughter or if, through impaired driving, he causes an accident in which a whole family is killed. I am wondering whether we are not being carried away with our sentimentality and our heartfelt sympathy for the man who has a background that prompts criminality.

I am more concerned, Mr. Speaker, about the death of one lovely little child and her innocent mother than I am about the death of all the criminals who have been hanged on all the gallows to date. Do not let us get "chicken". Do not let us get soft. It is not a matter of revenge. Good men—and there are many that I know personally—saw good comrades die in battle for the great principles of liberty and freedom. Many thousands of good men have died for fundamental principles. A few criminals have been hanged for dastardly crimes against society. We are not here to protect criminals from the gallows. We are here to protect society in general. In the twilight of my career in politics I would shudder if I thought I had cast a vote for the total abolition of the death penalty if it meant that one of my grandchildren or one of yours, Mr. Speaker, or one of the grandchildren or daughters of my many other friends in the house were killed because some fellow said, "I will only get a light penalty anyway".

One of the hon. members who has spoken said that this legislation is only a beginning and that it will develop to the point of total abolition which is the objective of some sincere hon. members in this house. Surely we should stop, look and listen. If a $1,000 fine is a penalty to a man who cannot find the $1,000, five years in the penitentiary is a greater penalty. But if a judge says, "Because of the crime that you have committed, you will be taken to the place of execution and you will hang by the neck until you are dead", surely that is a deterrent. I once heard that sentence pronounced on a man whom I knew and I felt the cold chills go up and down my back. No man can tell me that sentence is not a greater deterrent than is one pronounced by a judge who says that the man will go to jail for the balance of his life, knowing that the government might be soft enough to let him out in about 20 years.

Mr. Browne (St. John's West): Or 12 years.

Mr. Rowe: Or 12 years, as the hon. member from Newfoundland says. Do not let us be soft, Mr. Speaker. We are here as trustees for society. We are here to protect these happy little children that are running out of school, these innocent little girls who know nothing

of the dastardly things that have corrupted society and broken hearts down through the years.

Mr. Speaker, I would vote against my party if it was inclined to abolish any provision that I thought would be a deterrent against crime and would protect society in general. I am not unaware of the fact that there may have been doubts. Some of our most eminent lawyers, hard hearted as some of our people think they are but learned in the law, believe that every man is entitled to a fair trial. I know it almost breaks their hearts if they think that some man has gone to the gallows who was a near criminal, or who was near to committing a crime but there was not quite enough evidence to prove that he committed it. We all feel very keenly on that score where an innocent man might have been hanged. But down through the ages, in the old land and in this country, how many of those cases have there been?

Mr. Winch: Enough.

Mr. Rowe: My hon. friend says "enough". May I say that from my childhood I can remember scores of little girls who have been raped and murdered, little boys who have been murdered, mothers who have been murdered and clerks who have been shot. I think of the thousands of better men than we are who tonight sleep in Flanders fields as a result of meeting death in the first great war and of the thousands who are buried in the English channel as a result of the second great war. Those men died for fundamental principles. If two or three who were near crime were hanged but probably should not have been hanged, if they were a deterrent in order to save society in general, I think they died in a good cause.

I am not going to pursue this matter, Mr. Speaker. I was not in the house this morning, but I heard that the Minister of Justice (Mr. Fulton) gave a brilliant explanation, as usual, of this bill. The Minister of Justice is most capable of doing this.

Perhaps I am not as familiar with this matter, being a layman, as I might have been had I been a lawyer, but it would not have changed my sentiment at heart: we are here to protect society; we are not here to protect the criminal.

(Translation):

Mr. Louis Fortin (Montmagny-L'Islet): Mr. Speaker, in my preliminary remarks, I intended to show to what extent the two theories confronting each other are defendable. And I think we had this evening a perfect illustration of what I was going to say as felt by all hon. members who listened to the hon. member for Parkdale (Mr. Maloney), speaking with all the conviction he has acquired in his brief but fruitful career at the bar. Indeed the death penalty in its present form is practically a crime.

He expounded his philosophy in a composed and passionless way, and we agreed with him.

On the other hand, the case for maintaining capital punishment is also defendable. In fact, I think that what the hon. member for Dufferin-Simcoe (Mr. Rowe), just told us, is as good an illustration of the reasons for maintaining capital punishment. Both theories were well defended, first by the hon. member for Parkdale, that brilliant young criminal lawyer who, during his career, has frequently been in touch with people who were under indictment for murder, and then by the hon. member for Dufferin-Simcoe who had the advantage of a long experience of men and things and who was basing his judgment on that very experience, which is so valuable.

All that, Mr. Speaker, goes to show that when it is a question of forming an opinion for or against the abolition of capital punishment, the responsibility resting on members' shoulders is extremely heavy. And that is precisely why, last year, I refrained from taking part in the debate, when the bill of the hon. member for York-Scarborough (Mr. McGee) was introduced.

At that time, I felt a bit like the man in the street who, one day, believes that maintaining capital punishment is essential for the protection of society and the next, after hearing a lecture or the narration of some moving occurrence, prefers complete abolition. As I said, I did not take part in this debate because I wanted to study the question thoroughly, with an open mind, without passion, as one should when considering such a complex matter which may entail so very serious consequences. I wanted to take some advice and consult even the man in the street on the way he felt with regard to this matter.

Today, I would still not be able to determine which is my honest opinion if I were asked to decide for or against the abolition of capital punishment.

I believe that the Minister of Justice (Mr. Fulton) also thought that public opinion was not sufficiently enlightened, nor clear enough to be faced with legislation tending completely to abolish the death penalty. Now a middle way has been found thanks to which nobody, I think, may be unfairly convicted of capital murder entailing capital

punishment, whereas to this day anyone who had killed has been a murderer, there being no alternative even if, deep down in his conscience, the individual having committed—and I even hesitate to say the word—a murder for some motive which submitted to a jury, would have been valueless, was doomed to hang.

In other words, if you had killed, if you had committed a murder and were unable through reliable witnesses or by your own means to justify such action on some ground or other, you were heading for the gallows. And that is precisely where the injustice was. Today, a distinction has been made between capital murder and non-capital murder.

I might perhaps immediately deal with the suggestion made a few moments ago by the hon. member for Berthier-Maskinonge-Delanaudiere (Mr. Paul), who proposed that anybody who killed be accused of qualified murder. I rather believe that we should do the opposite. In the vast majority of cases, the indicted should be accused of non-capital murder, because it is extremely painful to bring an individual before the courts and prove his intention, or prove that his crime was premeditated.

Mr. Fortin: Mr. Speaker, may I ask you to call it ten thirty?

(Text):

Mr. Winch: Will the hon. member call it ten thirty?

BUSINESS OF THE HOUSE

Mr. Benidickson: Mr. Speaker, would the leader of the house indicate whether it is the intention of the government to continue this debate tomorrow, and if so and it is concluded, does he adhere to what he said last evening, that we would take up the estimates of the Department of Justice after the conclusion of this debate?

Mr. Churchill: Mr. Speaker, I indicated last evening that if the debate on this bill were not concluded today we would consider continuing it tomorrow. That is the case; we will continue tomorrow with the debate on this bill.

If it is finished in time tomorrow, we will proceed with the estimates of the Department of Justice.

At 10.30 p.m. the house adjourned, without question put, pursuant to special order.

ANSWER TO QUESTION

The following answer, deposited with the Clerk of the house, is printed in the official report of debates pursuant to standing order 39:

C.M.H.C.—PROCEEDS FROM SALE OF MORTGAGES

Question No. 232—**Mr. Regier:**

1. What are the arrangements that have been arrived at between the Department of Finance and Central Mortgage and Housing Corporation as to the disposal of the potential proceeds of the proposed sale of mortgages now held by the C.M.H.C.?

2. What have been the total amounts of repayment on principal collected by C.M.H.C. for each of the past five years on moneys that it has advanced for home construction?

Answer by: **Hon. D. J. Walker (Minister of Public Works):**

Question

1. When the corporation has effected the sale of a group of mortgages it will determine with the Department of Finance whether to use the proceeds of sale for the making of new direct loans or whether to make prepayments upon its debenture indebtedness to the treasury. The decision will depend largely upon the then current money market and the demands upon the corporation for direct loans at that time.

2. Principal Collections on N.H.A. Loans

1956	$ 24,786,802
1957	22,642,635
1958	28,526,518
1959	30,592,793
1960	36,487,987
	$143,036,735

HOUSE OF COMMONS

Wednesday, May 24, 1961

The house met at 11 a.m.

VETERANS AFFAIRS

FOURTH AND FIFTH REPORTS OF STANDING COMMITTEE—CONCURRENCE IN FOURTH REPORT

Mr. G. W. Montgomery (Victoria-Carleton): I have the honour to present the fourth and fifth reports of the standing committee on veterans affairs. By unanimous consent I move:

That the fourth report of the standing committee on veterans affairs, presented this day, be now concurred in.

Mr. Speaker: Has the hon. member for Victoria-Carleton unanimous consent to move his motion?

Some hon. Members: No.

Mr. Churchill: It is simply to reduce the quorum.

Mr. McIlraith: Mr. Speaker, before the request for unanimous consent is made may I ask whether there is any reason for requesting unanimous consent? Perhaps the mover of the motion would give us some indication on that.

Mr. Speaker: Since the hon. member for Victoria-Carleton is asking for unanimous consent perhaps he would state his reason.

Mr. Montgomery: Mr. Speaker, the reason I am asking for unanimous consent in order to have the fourth report of the committee concurred in today is that it has been the experience of the committee that the members thereof spend 10 or 15 minutes on some occasions waiting until there is a quorum. Several committees are meeting simultaneously, and some members of this committee also serve on other committees. At the last meeting of our committee it was unanimously decided among the members present, representing all parties, that we would ask leave of the house to reduce our quorum from 15 to 10.

I move, seconded by the hon. member for Bruce (Mr. Robinson):

That the fourth report of the standing committee on veterans affairs presented this day be now concurred in.

That report would simply have the effect of reducing the quorum from 15 to 10.

Mr. Speaker: In view of the explanation offered by the hon. member for Victoria-Carleton, has he unanimous consent to move his motion?

Mr. Martin (Essex East): Mr. Speaker, there will be no opposition to this, of course, but the request highlights the reason for it, and that is that so many committees are sitting at this stage of our proceedings—

Mr. Speaker: Order. The hon. member is not rising at a time when debate is permitted. The house either gives unanimous consent or not. I take it that the hon. member for Essex East does not wish to dissent?

Mr. Martin (Essex East): No, Mr. Speaker.

Mr. Speaker: I will now put the motion. By unanimous consent Mr. Montgomery, seconded by Mr. Robinson, moves:

That the fourth report of the standing committee on veterans affairs presented this day be now concurred in.

Is it the pleasure of the house to adopt the motion?

Hon. Paul Martin (Essex East): Mr. Speaker, I take it that I may say something at this stage. I do not intend to oppose this motion except to state that I believe the reason the hon. gentleman is asking that this motion be put forward at this time is that there is difficulty in getting the attendance of members of committees at the appropriate times because so many committee meetings are being held at this stage in the proceedings of the session. For instance, the house begins its sitting at 11 o'clock, and a committee is going to meet at one o'clock. Committees are meeting this afternoon.

This difficulty arises out of the failure of the government to bring forward its legislation at the appropriate time in the session. Members of the opposition who have a responsibility are finding it difficult to discharge that responsibility because of the simultaneous holding of so many committee meetings at a time when important legislation is being discussed in this house. The other day we had a situation in which an important matter dealing with freight rates was being discussed in a committee of this house while the hon. member for Laurier, a former minister of transport and the Liberal critic in transport matters, as well as the Minister of Transport himself were engaged in discussions in this house on amendments having to do with the Canada Shipping Act.

So while I do not object to the request at this stage, I point out that the government has so mismanaged its affairs in the conduct of our proceedings—

An hon. Member: Nonsense.

Mr. Martin (Essex East): —that this kind of request is now being put forward.

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): I know that hon. gentlemen do not like what I am saying, but that is the fact. Not only is it a fact that opposition members are finding the situation difficult, but it is a fact that members on the government side are also finding it difficult. Some members on the government side are actually boycotting a particular committee because it is being held at a particular time. I hope these remarks will serve to remind the administration that it is largely responsible for this situation.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to join with the hon. member for Essex East, who on this occasion is my partner in protest. I agree with what he has said. I might say that in heart and in mind we agree when it comes to criticism of the present arrangements with regard to the committees. In the veterans affairs committee we unanimously agreed to reduce the quorum to 10. We accepted that suggestion reluctantly because we would attend meetings and would wait 15 minutes, 20 minutes, and 25 minutes. We would have a number of officials, whose time is valuable, waiting for the committee to meet in order to give their answers to questions raised by members of the committee. It was because of that circumstance that we agreed to a reduction of the quorum to 10. However, as the hon. member for Essex East has mentioned, there is a committee which is called to meet today at one o'clock. I refer to the committee on external affairs. I cannot attend that committee meeting.

An hon. Member: Why?

Mr. Herridge: Because I will be attending another committee at one o'clock. This sort of thing happens repeatedly. When we consider external affairs and their importance and we find that this committee is being called during the lunch hour so hon. members can discuss international affairs in between snacks. I think it is going a bit too far.

I wish to join with the hon. member for Essex East in an effort to get some better organization of the time of the committees and earlier starting of the committees in the session. If the committees commenced sitting early in the session we would not have this situation, with all this undue haste and in many cases lack of dignity in the work of the committees.

[Mr. Martin (Essex East).]

Mr. Churchill: On a point of order, Mr. Speaker, may I say that there is no other committee meeting at one o'clock today except the external affairs committee.

Mr. Martin (Essex East): Yes; the external affairs committee.

Right Hon. J. G. Diefenbaker (Prime Minister): As I have said on many occasions, Mr. Speaker, I realize the difficulty of a small opposition in securing the necessary representatives on the various committees set up. That has been now—

An hon. Member: That is not the reason—

Mr. Diefenbaker: If the hon. gentleman who does most of his talking from a seated position will remain silent, I will continue with the argument.

Mr. Pickersgill: Keep the Minister of Public Works quiet.

Mr. McIlraith: I will give him exactly the courtesy that he gives me.

Mr. Speaker: Order.

Mr. Diefenbaker: Mr. Speaker, the hon. gentleman has an inveterate desire to babble away, and I do not want to interfere with that. As I was saying a moment ago, all through the years this has been a cause of complaint. We felt when we were in opposition that it was difficult for hon. members to sit in the various committees which were sitting during those days. This year we set up committees earlier than has been the case in many years in the past.

I want to point out that hon. gentlemen have been asking for various matters to be submitted to committees; they have not had enough to do. I seem to recall an argument last week on that subject, when the opposition said, "We want a report submitted to a committee". They were not so fearful then that they would not have the necessary members available.

I simply rise for the purpose of saying that what has resulted is not from a lack of organization on the part of the government but rather from a failure on the part of the opposition to bifurcate themselves or trifurcate themselves so they can attend the various committees. I would suggest that the committees might arrange to sit at different times so as to enable hon. members to attend the committee meetings.

I have been listening the last few days, and it is interesting to see that as soon as the hon. member for Essex East receives the responsibility of "acting leader" of the opposition he forever rails away at the lack of organization. I say "Physician, heal thyself".

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, the Prime Minister has suggested that the difficulty is with the opposition. I suggest, sir, that there are enough members, supporters of the government, on this committee in proportion to their numbers in this house. Why it is necessary to reduce the quorum at this time; why it is not possible for those government members to bifurcate themselves—to use the Prime Minister's words—so they can at least maintain the quorum on these committees is very hard to understand.

It is true, of course, that it has been the policy of the government all through this session to maintain what I described the other day as a friendly filibuster on their own legislation by their members in this house. But even at that, only one of them at a time can speak in the house from his place, though some, like the Minister of Public Works speak regularly from their seats. However, there would be no need to reduce the quorum of this committee because of the failure of opposition members to attend if there was a reasonable attendance on the part of hon. members on the government side of the house.

It does seem to me that this motion at this time is really quite unnecessary. It is unnecessary for another reason; it is unnecessary because the work of the veterans affairs committee could have been completed long before this if the war veterans legislation had been brought forward at the same time the pension legislation was brought forward, and proceeded with properly as it should have been. We understand that this legislation is not even ready yet, and the resolution is being filibustered on the other side because the government cannot yet make up its mind what to put in the bill.

It is true that there are so many committees meeting that it is very difficult for many of them to get a quorum. Indeed the other day, in the case referred to by my hon. friend from Essex East, when there was objection taken to the simultaneous meeting of the committee on railways and discussion of the legislation on the Canadian National Railways in the house, I think it is within the knowledge of all hon. members that a tie took place in that committee on a vote because there were so few supporters of the government at the committee meeting. This is a fact; and when the Prime Minister gets up and talks about a failure of the opposition in connection with this matter, facts rather than fiction, if I may use a word dear to the leader of the government, might be applied to the situation.

This situation has risen mainly for another reason, mainly because the hours of sitting of this house were extended in an altogether unprecedented way long before the government's most important legislation had been brought down at all, long before most of it was ready, and long before there was a budget. I cannot remember in the past when the hours of sitting were ever lengthened until all the legislation had been announced by the government—except, of course, for something that might be announced in an emergency—and practically all of it was on the order paper. I call attention to the fact that the most important legislation—that dealing with federal-provincial tax-sharing, unemployment insurance and the budget, to name only three items—has not yet been introduced, and one could lengthen the list to include the 20 items which the Prime Minister announced on April 24, most of which have not been brought down. This whole situation has been created by that precipitate effort of the government at that time, and because they were afraid to bring in their legislation before next Monday.

Mr. Pallett: Before the hon. member completes his diatribe I wonder if he would be in favour of the attendance records of the committees being tabled in the house.

Mr. Pickersgill: I would have no objection whatsoever. I should not mind. If, however, the hon. gentleman selects my attendance at the Indians affairs committee, which has almost always sat at the same time as the committee on broadcasting, I must point out that I am not able to bifurcate myself in that respect.

Mr. Hellyer: I shall be very brief, Mr. Speaker—

Mr. Speaker: May I remind the hon. member that the question before us is the reduction or waiving of the quorum required at a specific committee. I trust that hon. members will confine themselves for the rest of the discussion to this matter.

Hon. Paul Hellyer (Trinity): Yes, Mr. Speaker. I merely rose to say that from what the Prime Minister told the house a few minutes ago it is clear that he feels the opposition needs reinforcement. I hope the electors in four districts next Monday will see fit to accommodate him.

Mr. J. F. Browne (Vancouver-Kingsway): The hon. member for Essex East and the hon. member for Bonavista-Twillingate have mentioned the sittings of the committee on railways, canals and telegraph lines, and I have a protest to make in this regard which I should like to bring to the attention of the house. We were sitting in that committee hearing witnesses from the truckers' association who were here to present their views,

and the hon. member for Laurier informed us that he could not remain because he had to be in the house. However, there were five other members of the Liberal party sitting on that committee, and they told us that the hon. member for Laurier was the only one in that party who could speak on transportation.

Mr. Speaker: I appreciate the hon. member's point, but I do not see the relevance of what happened in that committee to the subject now under discussion. There has been some latitude allowed, but the hon. member for Vancouver-Kingsway is talking about a different matter.

Mr. Browne (Vancouver-Kingsway): With all deference, Mr. Speaker, the other two hon. members referred to what happened in that committee and I think it is only proper there should be an understanding of what did occur.

Mr. Speaker: I do not consider that particular incident relevant to this question of what shall constitute a quorum.

Mr. Browne (Vancouver-Kingsway): Surely I have the same right as the hon. member for Bonavista-Twillingate to refer to that committee and to the specific case with which I am dealing at the present time.

Mr. Speaker: I am sorry if the hon. member feels I have discriminated but there must be a line drawn, as I intimated before the hon. member rose. This debate is not a broad one, and I do not think we can discuss all the arrangements of the house.

Some hon. Members: Question.

Mr. H. O. White (Middlesex East): Mr. Speaker, I wish to say a word on this motion. The meeting of the external affairs committee is scheduled for one o'clock this afternoon. In the years that I have been chairman I have attempted to meet the requests of the opposition not to sit while the house is sitting, and to try as far as possible to avoid meeting while other committees are meeting. At the inaugural meeting of the committee this year this matter was again mentioned. When I asked for consent of the house to sit while the house was in session the matter was not brought to a vote, but nearly so. When we met a discussion of the hours ensued, and one of the members of the committee suggested that we meet at one o'clock. This is an hour when the house is not in session and when no other committees are meeting with the exception of the restaurant committee.

Today the hon. member for Essex East left the impression that members of the government side were in a sense boycotting the committee.

Mr. Pickersgill: He did not say that at all.

Mr. White: As I say, we tried our very best to arrange hours that did not conflict with other committees and with the house. I am sorry to say the opposition by their absence from the committee at the last two meetings have abdicated their responsibility as far as external affairs are concerned. I want to make it perfectly clear that the members of the government were present—they constituted more than a quorum—and took care of the business very well. If opposition members want to abdicate their responsibilities on a very important committee dealing with the external affairs of this country then that is their responsibility and not mine, and I hope no further reference will be made to the boycotting of the committee. The committee meets at one o'clock this afternoon.

Mr. Martin (Essex East): I rise on a question of privilege.

Some hon. Members: Order.

Mr. Speaker: Order. The hon. member is not rising to take part in the debate. He indicates that he is rising on a question of privilege.

Mr. Starr: No; this is just a dodge.

Mr. Martin (Essex East): The hon. member said those who do not attend the meeting of the external affairs committee at one o'clock will not be discharging their responsibilities as members of this house. This is a reflection on any member of that committee who does not attend, and I happen to be one of those.

Mr. Speaker: The hon. member has properly said that there is some reflection on members in general who are accused of not attending committee meetings. When he says that, he is simply continuing the debate and not raising a matter of privilege, because I think similar accusations have already been made from the other side of the house. I would not think that the accusation is serious enough on which to found a question of privilege.

Mr. Martin (Essex East): With great respect, may I say that a question of privilege must be raised forthwith. For an hon. member to say that another hon. member—

Mr. Speaker: I heard the hon. member and I have allowed him to raise his alleged question of privilege forthwith, but in my view it does not affect the privilege of the house.

Mr. Caron: On the question of privilege—

Mr. Speaker: The question of privilege has been disposed of.

Mr. Caron: This is another question of privilege, then. The hon. member went so far as to say that the Liberal party was trying to boycott the committee.

Mr. Fulton: No; the hon. member for Essex East said that.

Mr. Caron: He has no right to say that, because if they want the committee to sit they have sufficient members to constitute a quorum even if the members of the Liberal party are not represented. He has no right to say we are trying to boycott the committee.

Mr. Speaker: The hon. member is really continuing a debate on the charges and countercharges. Is the house ready for the question?

Mr. G. J. McIlraith (Ottawa West): Mr. Speaker, the motion for concurrence in the committee report made by the chairman of the committee is one that I have no desire at all to oppose. I think the chairman is caught in the position where he is desirous of moving the business of the committee forward, and he finds himself in a predicament. In order to carry on the work he has to come to the house and ask for a reduction in the quorum. With his action in doing that I have no quarrel whatever, because of the circumstances in which he finds himself; but the necessity of taking that action does reveal a bad condition in the management of the business of the house.

When the Prime Minister of this country, who is looked to in this house as the leader of the house, rose to deal with this subject he saw fit to start off his remarks in a way that examination will reveal was most offensive, unfair and inaccurate. When I interjected, as it was contrary to the rules I was taken to task for that interjection. When I was being taken to task for interjecting the Prime Minister seemed to approve the interjections of his Minister of Public Works, as is his wont.

I merely want to point out to the Prime Minister that in handling this debate in this way—this is a subject that is debatable—and in introducing this standard of conduct he is going a long way from the subject matter, which is a difficult one, and he conducts himself in a way that other hon. members in the house are likely to follow as the proper one.

Mr. Speaker: Order. If the hon. member wished to raise the subject matter he is referring to, which is the conduct of the Prime Minister, he should have raised it as a point of order at the time. It is not relevant to the debate.

Mr. McIlraith: Well, then, Mr. Speaker, I do desire to say something about the substance of the argument of the Prime Minister and to answer it because I feel that if the argument was allowable and was permitted to be made it surely is in order to reply to it.

The substance of his argument was his usual line, an indirect attempt to ridicule the small numbers in the opposition. That was the line of argument. Then he went on to say that they should trifurcate themselves in order to make sufficient numbers to attend the committee sittings.

May I remind the Prime Minister that notwithstanding his rather skilful method of handling this, in the way he did, he did not deal with the real point. Yesterday morning at 9.30 the attendance of 42 members of the opposition would have been required in committees, and that is making no allowance for any meetings having to do with legislation in the house that we are going on with at the present time, or in preparing ourselves for legislation. He will recall that on Monday and Tuesday of this week legislation was brought before the house on very short notice. He must not only recall that but he must assume responsibility for it.

I would hope that the Prime Minister would take enough time from trying to make those rather appealing arguments that may or may not be wholly relevant to the point to see whether he could not give some attention to the better organization and presentation of business to the house and to committees in an orderly way that would try to meet this difficulty. I invite the Prime Minister to give some real thought and care to that subject rather than always seeking to use diversionary arguments which, by the way, he does very skilfully.

I am not suggesting it is out of order for him to follow that course if he wishes to do so, but I respectfully suggest that he should devote a little attention to the whole question of the preparation of legislation in proper time so it can be submitted to the house in an orderly way, and also the question of the arrangement of sittings of committees in such a way that we will not have the spectacle we had the other day with respect to legislation concerning the transport department, or the situation we had a few days earlier when the agriculture committee was sitting to deal with quite important matters at the very time an agricultural bill was being debated in the house. I suggest that these matters are worthy of his attention.

In making his remarks today the Prime Minister based his argument on the smallness of the opposition, and I should like to remind him of something he said on that very subject

on an earlier occasion. He was quoted in the press on August 11, 1953, as having made this statement:

There is nothing much that one can say, excepting that I would have liked to have seen a powerful opposition in the House of Commons. After all, a strong opposition to the government is essential to our democratic way of life. The load that rests on the few that have been elected is almost impossible for the average individual to understand.

I simply suggest to the Prime Minister that in the light of that background we are now free to interpret his remarks today as an appeal to the voters in the four constituencies in which by-elections are being held.

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

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I should like to say something before the question is put. If I had been at the second last meeting of the veterans affairs committee I would have opposed this change. The committee has a membership of 60, and obviously there should be enough people available to constitute a quorum.

Over the past three years the Prime Minister has suggested that the committees should be made more effective in the discharge of their functions. Obviously the veterans affairs committee cannot be effective if only 10 out of 60 members are present. I suggest that one thing we should possibly do is what the Prime Minister tried to do a year or two ago, when he installed a speaker system in his office in order to follow the debates in the house. I am not suggesting that that be done in our offices, but rather that simultaneous translation and amplification systems be installed in each of the committee rooms so that members will be able to follow the debates in the committees.

Mr. Speaker: Order. The hon. member's suggestion is quite ingenious but also quite irrelevant. Is the house ready for the question?

Mr. Montgomery: May I say one word?

Mr. Speaker: Order. The hon. member has already spoken.

Mr. Montgomery: On a point of order, Mr. Speaker, the hon. member has just stated that the veterans affairs committee is a 60-man committee. I should like to inform him and the house that it is only a 40-man committee.

Motion agreed to.

STARRED QUESTIONS

PRINTING BUREAU—OUTSIDE WORK

Question No. 322—**Mr. McMillan:**

1. What was the total cost of printing done outside the printing bureau for all departments of government for the last fiscal year?

[Mr. McIlraith.]

2. Were tenders called on any or all of this work?
3. What firms or persons received the three highest printing awards, and what were the amounts of such awards?

Hon. Leon Balcer (Minister of Transport): The answer to part 1 of this question is $5,640,658.

The answer to part 2 is yes. Tenders were called on this work in accordance with the Public Printing and Stationery Act and the government contract regulations.

The answer to part 3 is Canadian Bank Note Limited, Ottawa, the award being in the amount of $96,153.75; Ashton-Potter Limited, Toronto, the award being in the amount of $71,653; and R. L. Crain Limited, Ottawa, the award being in the amount of $57,723.70.

SATELLITE STATION, MONT LAURIER—U.S.-CANADA NEGOTIATIONS

Question No. 332—**Mr. Clermont:**

1. Have the negotiations with the United States concerning an international agreement on the establishment of a satellite station at Mont Laurier, province of Quebec, been concluded?
2. If so: (a) what has resulted from such negotiations? (b) at what date will the works begin, and how long will they last?
3. If not, what is the reason for the delay in the said negotiations with the United States, in view of the fact that the board of broadcast governors has recommended the granting of a licence on December 8, 1960?

Mr. M. J. A. Lambert (Parliamentary Secretary to the Minister of National Revenue): I am informed by the Canadian Broadcasting Corporation as follows:

1. Yes.

2. (a) Channel 3 has been assigned to Mont Laurier for the proposed station.

(b) This transmitter is to be an off-air rebroadcasting station of the proposed station at Mont Tremblant on channel 11, and construction of both stations will be concurrent. Work on the project is expected to start soon. The corporation is awaiting the final resolution of the leasing arrangements for the transmitter site of the master station at Mont Tremblant, which is to be located on property administered by the Quebec provincial government. The corporation expects that these stations will be in operation this autumn.

COST OF BORDEN COMMISSION

Question No. 335—**Mr. Forgie:**

What was the total cost of the Borden commission including the printing of the report?

Right Hon. J. G. Diefenbaker (Prime Minister): The answer is $443,557.61.

CHRIS DOBSON

Question No. 339—**Mr. Mitchell:**

1. Is Chris Dobson employed full time in the public service of Canada?
2. If so, (a) what is his position (b) what are the duties (c) what is the salary?
3. Is this Chris Dobson the same person who appeared, under the name of Chris Bryant, on the Wally Koster C.B.C.-T.V. show on Sunday, May 7?
4. If so, did he receive any remuneration for this appearance?
5. Has he made any other stage and/or television appearances, either in Canada or the United States, while in the public service? If so, on how many occasions, and what absences from his duties were involved?

Hon. E. D. Fulton (Minister of Justice): The answers are as follows:

1. Yes.

2. (a) Associate private secretary to the Minister of Justice.

(b) Preparing briefs on subjects requested by the minister; handling minister's correspondence related to various areas of minister's responsibilities, and other duties pertaining to the minister's office as assigned.

(c) $6,500.

With respect to parts 3, 4 and 5 the detailed information requested here is not in my possession. Mr. Dobson before his appointment as my assistant private secretary apparently undertook as a hobby the developing, together with a friend, of a variety act or skit for the entertainment of their friends. This eventually led to their appearance before larger audiences and from time to time their endeavours earned them a fee. All this was done in Mr. Dobson's spare time. This spare time activity was continued on an occasional basis since he joined my staff.

Being satisfied in every respect with the manner in which Mr. Dobson has carried out his duties, being satisfied that his other activities have not interfered in any way with the performance of those duties, and being satisfied that he is a person of excellent character and conduct and a proper person to be employed in the public service of Canada, I have not concerned myself with the details of his private life.

C.B.C. BROADCASTS—REPRESENTATIONS BY SECRETARY OF STATE

Question No. 341—**Mr. McMillan:**

1. Have any representations been made by the Secretary of State to the Canadian Broadcasting Corporation either by letter, telephone, or conversation, with regard to any television program broadcast or proposed to be broadcast?
2. If so, when, and how were they made, what was the nature of these representations, and to what program were they referring?

Hon. Leon Balcer (Minister of Transport): The answer to part 1 of this question is no, and part 2 is answered by the answer to part 1.

C.B.C. BROADCASTS—REPRESENTATIONS BY AGRICULTURE MINISTER

Question No. 342—**Mr. Clermont:**

1. Have any representations been made by the Minister of Agriculture to the Canadian Broadcasting Corporation either by letter, telephone, or conversation, with regard to any television program broadcast or proposed to be broadcast?
2. If so, when, and how were they made, what was the nature of these representations, and to what program were they referring?

Hon. Alvin Hamilton (Minister of Agriculture): I am informed that our information division is in day to day touch with private and C.B.C. stations about information and slides that the stations want for programs, but no representations, written or verbal, have ever been made about anything to the Canadian Broadcasting Corporation. For my own part, there have been no representations to the C.B.C. except that on one occasion I did compliment a camera crew on a very fine agricultural program which I pointed out would do a great deal to bring about better understanding between farmers and city people.

POLAR SHELF HELICOPTER SERVICE EQUIPMENT

Question No. 346—**Mr. Chevrier:**

1. In its answer to starred question No. 189, *Hansard* of March 15, 1961, page 3006, the Department of Mines and Technical Surveys listed the following equipment required of the contractor to perform the helicopter service on the continental polar shelf: "4 Sikorsky S-55 helicopters equipped with float landing gear; 1 Sikorsky S-55 helicopter equipped with wheel landing gear; 1 Bell 47 G2A helicopter equipped with skid and float landing gear". When operations on the polar shelf were started in 1961, did the contractor have the above named equipment on the job?
2. Were the Sikorsky S-55's and the Bell 47 G2A's equipped with skid and float landing gear as required?

Hon. Paul Comtois (Minister of Mines and Technical Surveys): In answer to the hon. member for Laurier, I must first indicate that my answer on March 15, 1961, *Hansard* page 3006, listed, at his request, the helicopter and equipment requirements for both the polar continental shelf project and a topographical survey project in 1961. Question No. 346 does not reflect my previous answers accurately. The 1961 requirements for the polar continental shelf project only are as follows: 2 Sikorsky S-55 helicopters equipped with float landing gear, 1 Sikorsky S-55 helicopter equipped with wheel landing gear, 1 Bell 47 G2A helicopter equipped with skid and float landing gear. In the light of

the above, I now submit the following answers to the two specific questions.

1. It was not necessary that the contractor have the helicopter equipment on the job when operations on the polar shelf project started in 1961 as such equipment was not required until a later date.

2. The four helicopters supplied to this project in 1961 were equipped in accordance with the requirements listed in my answer to question No. 189, part 1.

NARCOTIC DRUGS, B.C. PENITENTIARIES

Question No. 350—**Mr. Howard:**

1. Since January 1, 1957, have any narcotic drugs been found (a) in the possession of an inmate in the British Columbia penitentiary (b) in the possession of a staff member or employee in the British Columbia penitentiary, or (c) on any of the British Columbia penitentiary reserve lands, or in or near any of the penitentiary buildings; and, if so, how many said inmates or said employees were found to be in possession, and in how many instances were narcotic drugs found upon the said lands or in or near any of the said buildings with the date of each such find?

2. What volume of such drugs, by type, were found in the possession of each said inmate or employee or were found in or near the said buildings?

3. What penalty, if any, was meted out to each said inmate, or said employee?

4. Have any of the inmates or employees been suspected of being in possession of such drugs; and, if so, in how many instances?

Hon. E. D. Fulton (Minister of Justice): Mr. Speaker, the information necessary to be obtained to reply to this question is quite detailed, and I have not yet got it complete. Since I imagine it would be desired to have the information before next Wednesday, I suggest that this question be made an order for return. I think I will be able to table the return before the end of the week, or very shortly thereafter. Otherwise it would have to wait until next Wednesday when starred questions come up again.

Mr. Speaker: Order for return.

NORTHERN AFFAIRS CONTRACTS WITH CANADIAN MARCONI

Question No. 351—**Mr. Howard:**

1. Has the Department of Northern Affairs and National Resources any contracts with Canadian Marconi Company; and, if so, how many, what is the purpose of each, and what is the location at which the particular work is being carried out?

2. Has the department had occasion to check the contracts of employment which the said Canadian Marconi Company enters into with its employees; and, if so, has it been discovered that the following clause is contained within the said contracts of employment: "Native and Eskimo villages are considered out of bounds and personnel are prohibited from fraternization or association with the native populations except in special circumstances. Infringement of these orders is cause for discharge."?

[Mr. Comtois.]

3. Has the department any knowledge of persons who have been so discharged pursuant to the clause mentioned in question number 2; and, if so, how many such persons have been so discharged, and has the department taken any steps to have these persons reinstated in the employ of the Canadian Marconi Company; and, if so, what steps, with what results?

4. Has the department had occasion to investigate whether or not the clause referred to in question number 2 is in violation of the Canadian Bill of Rights and/or of the Canada Fair Employment Practices Act; and, if so, what has been discovered as a result of the said investigation, and have any steps been taken to have Canadian Marconi Company comply with the above-mentioned statutes; and, if so, what steps, with what results?

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, the answers to the four parts of the question are as follows.

1. The only contract which the Department of Northern Affairs and National Resources has with Canadian Marconi Company is one under which the company operates a small heating plant at Great Whale River on behalf of the department.

2. Yes, the clause in question came to the attention of the department when Mr. T. J. Whitfield wrote to me on February 27, 1961.

3. Yes, the department has been informed in writing of one, and has been informed orally of nine others. The department did take steps to have Mr. Whitfield retained in employment by oral representations to an officer of the company. I also wrote to Mr. Whitfield indicating that the area administrator for the department would assist him in his problem. I might add that since Mr. Whitfield left the employ of the company I have endeavoured, without success, to have him visit me here in Ottawa. No action was taken in the other cases as improper relations with Eskimo women were involved.

4. No legal decision has been rendered on these two points. The clause, however, is contrary to the spirit of the government order issued in 1959 removing disabilities against the indigenous population which had existed since 1955 under directives from the former administration. I have written to the Canadian Marconi Company urging a change in the clause to bring the contract into harmony with the policies of the present administration, particularly to remove the absolute bar of contact on a racial basis, but at the same time to deal firmly with improper relations.

RESERVE TRADESMEN TRAINING PLAN, R.C.A.F.

Question No. 352—**Mr. Clermont:**

1. Has the reserve tradesmen training plan of the Royal Canadian Air Force auxiliary squadrons been cancelled, and, if so, for what reason?

2. What has been the cost of this program to date?

Mr. Egan Chambers (Parliamentary Secretary to the Minister of National Defence): Mr. Speaker, the answers to the two parts of this question are as follows.

1. Yes. It is now planned to enrol candidates directly into the auxiliary and give them similar training in the technical training units. This will eliminate the additional expenditures involved in maintaining the R.T.T.P. as a separate training program.

2. Since its inception in 1953, $3,741,772.

ORDERS FOR SELF-PROPELLED VESSELS

Question No. 355—**Mr. Bourget:**

As of May 12, 1961, by shipyards and by vessels, how many firm orders for self-propelled vessels now under construction or to be built, which will be eligible for subsidy, were in existence; and, more particularly, in connection with all such firm orders, the following information: (a) name of the purchaser for whom the vessel is being built, (b) yard number or proposed name if allocated, (c) type of vessel, (d) place where and purpose for which the vessel is to be used, (e) estimated gross tonnage, (f) contract price to purchaser (exclusive of escalation costs or extras), (g) estimated percentage of construction completed on May 11, 1961, (h) the amount, if any, which the Canadian Maritime Commission has authorized to be withdrawn from any funds held on deposit under the provisions of the Canadian Vessel Construction Assistance Act, or held in escrow from the proceeds of disposition of flag-covenanted vessels, to be applied to the purchase price; (i) what percentage of Canadian content, if any, is required for the approval of such funds?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, an exact answer to this question can be given only when the regulations governing the policy have been approved by the governor in council and when the operators concerned have in fact made application and have had their applications dealt with under the new policy.

MIRACLE DRUGS—PUBLICATION OF INFORMATION

Question No. 356—**Mr. Bourget:**

1. Has the Minister of Health and Welfare received representations from the maritime federation of agriculture asking what control, if any, is exercised by the federal government in regard to the publication of information on so-called miracle drugs?

2. If so, did the minister reply, and what was the nature of his reply?

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, the answers to the two parts of this question are as follows.

1. Yes.

2. Yes. I replied in part as follows:

We have no authority with respect to news items, magazine articles, editorials or other forms of communication to the public, regardless of the fact that they may deal with a food or a drug. It would only be where an advertisement was published that my officials would have any right to examine the material and to take any action ... In the field of advertising, however, we exercise control in two ways. One is via the Food and Drugs Act and the Proprietary or Patent Medicine Act and the other is in the field of broadcasting. Under the broadcasting regulations, no commercial can be used unless it has first been approved by my department. We examine something in the nature of thirty thousand commercials annually ...

You will appreciate it is impossible to ensure that all advertisements for medicinal products will be sufficiently tailored to everyone's taste. We attempt, however, to eliminate areas of deception and of excessive exaggeration and generally to require that the advertisement will be factual but without unduly deglamourizing its presentation. To do so, would be regarded as an unwarranted interference by the government with the right of a manufacturer to describe and to market his product in the way that he feels most suitable in a competitive system. As regards the Food and Drugs Act, we have no right of censorship and can only take action in the case of printed material after its publication. Here we endeavour to do the best possible in a very difficult area. I am sure that the quality of medicinal advertising in Canada is, in comparison with that in other countries, of a very sober and moderate character.

NATIONAL PRODUCTIVITY COUNCIL—UNION REPRESENTATION

Question No. 357—**Mr. Badanai:**

1. Is it the intention of the government to appoint a representative of major industrial unions on the national productivity council?

2. If not, for what reason?

Mr. E. L. Morris (Parliamentary Secretary to the Minister of Trade and Commerce): Mr. Speaker, the answers to parts 1 and 2 are as follows.

By P.C. No. 1961-290 of February 28, 1961, the following representatives of organized labour were appointed to the national productivity council:

Claude Jodoin, president, Canadian Labour Congress, Ottawa, Ontario; Marcel Pepin, director, national metal trades federation, Quebec city, Quebec; Arthur R. Gibbons, vice-president and legislative representative in Canada, the brotherhood of locomotive firemen and enginemen, Ottawa, Ontario; Michael H. Nicols, Canadian vice president, international association of asbestos workers and president, provincial building and construction trades council of Ontario, Toronto, Ontario; John D. Carroll, international representative and assistant to the Canadian vice president, international brotherhood of boilermakers, iron shipbuilders, blacksmiths, forgers and helpers, Toronto, Ontario.

These appointments and others were announced by the right hon. Prime Minister in this chamber on that day, February 28, 1961, and are recorded in column 2, page 2483 of the House of Commons *Hansard*.

Starred Questions

C.M.H.C. SEWAGE PROJECT LOANS

Question No. 358—**Mr. McMillan:**

In connection with the amending legislation empowering Central Mortgage and Housing Corporation to make loans for the purpose of aiding the construction and expansion of municipal sewage treatment projects: (a) how many municipalities have applied for such loans? (b) how many loans have been approved, and to what amount? (c) what is the interest charge on the loans? (d) what is the total amount of the capital that will be written off in respect to loans already approved?

Hon. D. J. Walker (Minister of Public Works): Mr. Speaker, the answers to the four parts of this question are as follows:

(a) 59.

(b) 45; estimated amount of $27,429,213.

(c) 5⅛ per cent on the first 33 loans; 5⅜ per cent on the remaining 12 loans, after the corporation's borrowing rate from the consolidated fund was raised one quarter of one per cent.

(d) An estimated $6,994,450.

MRS. FRANCES MALONEY, VANCOUVER—DEPORTATION ORDER

Question No. 360—**Mr. Howard:**

1. Has a deportation order been issued against a Mrs. Frances Maloney of Vancouver, and, if so, what is the date of the said order?
2. Is Mrs. Maloney a Canadian citizen, and, if not, of what country is she a citizen?
3. How long has Mrs. Maloney been resident in Canada?
4. Has Mrs. Maloney any children, and, if so, how many, what is the age of each, where was each born, and what is the nationality of each?
5. Is Mrs. Maloney's husband a Canadian citizen?
6. Has any appeal been lodged against the deportation order, and, if so, what is the present status of the appeal?
7. Has a deportation order been issued against Mrs. Maloney's husband or any of the children?

Hon. Ellen L. Fairclough (Minister of Citizenship and Immigration): Mr. Speaker, the answers to the seven parts of this question are as follows:

1. A deportation order was issued to Mrs. Frances Maloney on April 14, 1961.

2. No. She is a citizen of the United Kingdom and colonies.

3. Since November 9, 1949.

4. Mrs. Maloney has five children, three by her first husband. At the time of their admission to Canada in 1949 the three children by the first marriage were aged six, four and two years and were stated to have been born in the United Kingdom and to be citizens of the United Kingdom and colonies. They are presently in the custody of her first husband. The remaining two children are by her second husband. They are aged six and four years, were born in Vancouver and are Canadian citizens.

5. Mrs. Maloney's present husband is a Canadian citizen.

[Mr. Morris.]

6. There is no provision in the Immigration Act for an appeal against a deportation order of the nature issued to Mrs. Maloney. Nevertheless a review, such as would have been made had an appeal been permitted, has been made. The case is still under consideration.

7. No.

SUBSIDIES FOR STEEL FISHING TRAWLERS

Question No. 361—**Mr. Granger:**

1. Are the subsidies for steel fishing trawlers announced by the Minister of Transport on May 12 limited to replacements of existing trawlers?
2. If not, what are the requirements for securing the subsidy in the case of an applicant who requires additional trawlers?
3. Would other steel fishing vessels, such as long liners, qualify for subsidies, and, if so, on what conditions?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, the regulations to be made by the governor in council will set out in a detailed manner the various conditions governing the payment of the subsidy. The regulations are now in course of preparation, and they will be made available as soon as possible.

FEDERAL ARRANGEMENTS WITH DOSCO

Question No. 362—**Mr. Pickersgill:**

1. Was an assurance given to Dosco that if certain coal mines were kept open during the winter of 1960-61, the federal government would not object to their closure in the summer of 1961?
2. If not, precisely what arrangements were made with Dosco to maintain production in these mines during the past winter?
3. Precisely what assistance has been offered to Dosco to keep the mines open?

Hon. Paul Comtois (Minister of Mines and Technical Surveys): Mr. Speaker, the answer to the first part of this question is no.

The answer to the second part is that the arrangements which were made with Dosco are stated in a press release issued jointly on January 9, 1961, by the Minister of National Revenue and myself. We made the announcement in this manner because the house was not then in session. The hon. member for Bonavista-Twillingate might like to have a copy of this press release for his files, and I am consequently now handing him one.

The answer to the third part of the question is contained precisely in order in council P.C. 1961-18 of January 9, 1961.

DUTY FREE SHOP LICENCES

Question No. 363—**Mr. Garland:**

1. What licence or permit is required from the federal government to operate a duty free shop in Canada?
2. How many such licences or permits have been issued?
3. What is the location or proposed location of each shop for which a licence or permit has been issued?

4. Is it proposed to issue additional licences or permits?

5. Does the government intend to allow the establishment of a chain of duty free shops across Canada this year?

Mr. M. J. A. Lambert (Parliamentary Secretary to the Minister of National Revenue): Mr. Speaker, the five parts of this question can be answered by simply explaining that what are popularly known as duty free shops are not licensed or otherwise controlled by the federal government. What are licensed and controlled are the customs bonded warehouses, in conjunction with which so-called duty free shops may operate and from which goods are ex-warehoused for home consumption or for export.

There are over 400 licensed bonded warehouses, only two of which are known to have sales outlets or duty free shops for the display of duty paid samples of the goods in warehouse. It is from these samples that the tourist makes his selection, and his purchases are then ex-warehoused and shipped by common carrier in bond to his address outside of Canada. One of these outlets is located at Lansdowne, Ontario and the other is at Cobourg, Ontario.

Licences for the operation of customs bonded warehouses are issued to applicants who meet the requirements of the Customs Act and the regulations thereunder.

[*Later:*]

PENRYN SECURITIES LTD.—ANNUAL RETURN

Question No. 353—**Mr. Fisher:**

1. Has the companies division a record of Penryn Securities Ltd.?

2. If so, when did this company last file an annual return?

3. On such return, who were the officials and the stated shareholders?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I wonder whether we could revert to question 353 which I asked the house to allow to stand. I now have the answer.

Mr. Speaker: Does the house agree that we revert to starred question No. 353?

Some hon. Members: Agreed.

Mr. Balcer: The answer to part 1 of this question is yes.

The answer to part 2 is as at March 31, 1961.

The answer to part 3, as to the directors, is: Mrs. Alice M. W. Howe, John W. Howe, and James D. Dodge; as to shareholders there is no information available.

QUESTIONS PASSED AS ORDERS FOR RETURNS

RESTRICTIVE TRADE PRACTICES REPORTS

Question No. 136—**Mr. Howard:**

1. Since July 1, 1957, have any reports from the restrictive trade practices commission been received?

2. If so, and with respect to each such report, what was (a) the nature of its inquiry (b) its date (c) its recommendations (d) the names of the persons or companies to which the recommendations applied (e) the action taken on these recommendations, and the results thereof?

Return tabled.

NARCOTIC DRUGS, B.C. PENITENTIARIES

Question No. 350—**Mr. Howard:**

1. Since January 1, 1957, have any narcotic drugs been found (a) in the possession of an inmate in the British Columbia penitentiary (b) in the possession of a staff member or employee in the B.C. penitentiary, or (c) on any of the B.C. penitentiary reserve lands, or in or near any of the penitentiary buildings; and, if so, how many said inmates or said employees were found to be in possession, and in how many instances were narcotic drugs found upon the said lands or in or near any of the said buildings with the date of each such find?

2. What volume of such drugs, by type, were found in the possession of each said inmate or employee or were found in or near the said buildings?

3. What penalty, if any, was meted out to each said inmate or said employee?

4. Have any of the inmates or employees been suspected of being in possession of such drugs; and, if so, in how many instances?

THE BUDGET

DELAY IN PRESENTATION—MOTION FOR ADJOURNMENT UNDER STANDING ORDER 26

Mr. W. M. Benidickson (Kenora-Rainy River): Mr. Speaker, I beg leave, seconded by the hon. member for Welland, to move the adjournment of the house under standing order 26 for the purpose of discussing a definite matter of urgent public importance, namely the failure of the government to divulge the contents of the annual budget to more than 100,000 electors in four federal constituencies who, in the absence of such information, will be denied the facts essential to render a responsible verdict on the policies of this government.

Mr. Speaker: The hon. member for Kenora-Rainy River was good enough to give me, as he came into the house, a copy of the proposed request for leave to move the adjournment of the house, and I have had an opportunity to consider it.

I think it is unnecessary to call on anyone for assistance to determine that this is not the type of matter which could be made the subject of a motion under rule 26 which, may I remind hon. members, permits a motion for

the adjournment of the house, when made for the purpose of discussing a definite matter of urgent public importance, to supersede all other business of the house. My reasons, which I think I should state briefly, are these.

The substance of the hon. member's definite matter of urgent public importance is the time of the introduction of the budget which, of course, is a matter for the ministers of the crown. It is not a matter that concerns private members. The introduction of the budget is a matter in the discretion of the government. The date when it is introduced is purely a discretionary matter for decision by the government.

Reference is made to four by-elections affecting some parts of Canada. The hon. member does not suggest that the matter is of general importance but that it is of importance to those constituencies which are now electing representatives. In order to bring a matter of this kind within the rule requiring that it be an urgent matter of public importance affecting the people of Canada, one would be obliged to make the assumption that the budget, if and when it is introduced, will affect the electors of these constituencies in a different way from that in which it will affect the electors of Canada generally. With all due respect to the hon. member for Kenora-Rainy River, may I say that I do not think the rule was designed to permit the discussion of a matter of this kind, which could be discussed at any time and which could have been discussed at any time since the by-elections were called, by way of a motion of criticism or censure of the government. In reality what the hon. member wishes to do is not to debate an urgent public matter which debate might resolve, but rather to criticize the government for delaying the introduction of its budget. On those grounds I therefore do not feel that—

Mr. Benidickson: Before you conclude your decision, Mr. Speaker, will you hear me on a point of order?

Mr. Fleming (Eglinton): It is not a point of order.

Mr. Speaker: Yes; I will hear the hon. member if he will direct himself specifically to what I have said and to the point which I have made.

Mr. Benidickson: Mr. Speaker, rule 26 deals with several very pertinent points. First, the matter dealt with must be a definite one. I suggest that my statement submitted to you is definite. It must be urgent, and it must be of public importance. On those points I wish to address myself to you, Mr. Speaker. In so far as importance is concerned, may I say that I cannot think of anything that is of more importance to the citizens of Canada at the present time than to have an accounting upon the stewardship of this government at a time when we are in economic paralysis.

Mr. Fleming (Eglinton): Order.

Mr. Benidickson: I believe that it is urgent. It is unusual not to have an accounting earlier than the present time. There is uncertainty and uneasiness across the country.

Some hon. Members: No, no.

Mr. Fleming (Eglinton): Mr. Speaker, do you propose to have your ruling defied by this partisan diatribe?

Mr. Martin (Essex East): He has not given a ruling.

Mr. Speaker: No, I do not propose to permit that course. I think I have indicated to the hon. member what my disposition is, and I presented one or two propositions in support of what I said. I trust that the hon. member, if he wishes to say anything before I dispose of the matter finally, will keep his remarks relevant to those points and will not debate the matter which he asked leave to raise, because that would be quite out of order.

Mr. Benidickson: Mr. Speaker, to refer to your own remarks, you had an impression that this was not of, I think I quote, "general importance". I suggested in my statement that over 100,000 electors are involved and the constituencies represent four provinces; those constituencies go from the Atlantic coast to the Pacific coast. I say that I think we have an unusual element of general importance which gives rise to this motion.

With respect to other opportunity—which is another salient element for validity in making a motion of this kind—the Minister of Finance, as far as I know, is not appearing anywhere across the country in connection with this very important verdict that has to be established by our Canadian electorate—

Mr. Fleming (Eglinton): Order.

Mr. Speaker: Order. Would the hon. member address himself to opportunities for debate, but not debate the matter with which he wishes to deal.

Mr. Benidickson: I say, Mr. Speaker, that it is here in the parliament of the nation, in the absence of a budget, that we should have from the Minister of Finance, if he will not go and face the electorate—

Some hon. Members: Order.

Mr. Fleming (Eglinton): Order.

Mr. Benidickson: —a statement which would be provided under the motion which I make today—

Some hon. Members: Order.

Some hon. Members: Sit down.

Mr. Speaker: Order.

Mr. Benidickson: We should have from him an accounting, temporarily—

Mr. Fleming (Eglinton): Can you not see the Speaker on his feet?

Mr. Speaker: Order. I think the hon. member's remarks are directed more to the substance of what he wishes to move than to the point of order. I have no doubt that this is not the sort of matter which can be raised in this way under rule 26; therefore I do not propose to accept the request for leave.

Mr. Martin (Essex East): Mr. Speaker, will you listen to further argument?

Mr. Speaker: No, I am not in need of further argument, and I think I would only be taking up the time of the house unnecessarily by listening to further argument.

Mr. Johnson: Mr. Speaker, I wish to address a question to the right hon. Prime Minister—

Mr. Pickersgill: Mr. Speaker, on a point of order, are we not to have notices of motions for production of papers?

Mr. Speaker: The point is well taken.

Mr. Ricard: This is the first time.

BUSINESS OF THE HOUSE

REQUEST THAT QUESTION BE WITHDRAWN FROM ORDER PAPER

Mr. W. M. Benidickson (Kenora-Rainy River): Mr. Speaker, with leave of the house could I revert to the opportunity that is usually afforded by the Secretary of State when he requests that certain questions be made orders for returns? After discussion with the Minister of Finance, and with leave of the house I would ask that question No. 142 in my name be dropped for rewording.

Mr. Speaker: Dropped.

Order discharged and question dropped.

MOTIONS FOR PAPERS

NATIONAL DEFENCE AND DEFENCE PRODUCTION CONTRACTS WITH CANADIAN MARCONI

Motion No. 130—**Mr. Howard:**

For a copy of all current contracts between the departments of national defence and of defence production and the Canadian Marconi Company.

Hon. Raymond O'Hurley (Minister of Defence Production): Mr. Speaker, agreement is given to the production of a copy of these papers, subject to the withholding of any security provisions that may be therein contained.

Mr. Howard: Mr. Speaker, I wonder whether before we go too much further we could have an indication of what is meant by "security provisions"? It is a rather broad, all-inclusive phrase.

An hon. Member: No, it is not.

Mr. O'Hurley: In defence projects there are classified provisions and security provisions. This refers to security provisions.

Mr. Speaker: Subject to the reservations requested by the minister, is it the pleasure of the house to adopt the motion?

Motion agreed to.

COMBINES INVESTIGATION, NEW DRUGS—PERSONNEL EMPLOYED AND COST

Motion No. 133—**Mr. Howard:**

For a list of the names of, and positions held by, staff members or employees of the combines investigation branch, who worked on the inquiry regarding the selling and pricing policies of certain pharmaceutical houses in respect of new types of drugs; along with the period of time spent by each, the cost of the inquiry in terms of salary and expenses paid to each, as well as other expenditures by classification.

Hon. E. D. Fulton (Minister of Justice): Mr. Speaker, I would be prepared to accept this motion subject to the understanding that I will be unable to supply an answer to that part of it asking for an allocation of time spent on the investigation and for a breakdown of salaries, because the officers and staff of the combines branch were engaged at the same time in a number of other matters. They do not keep tab of the time spent by each officer on a given investigation. Also, the general salary expenses are not broken down on such a basis.

Subject to these reservations I would be prepared to accept the motion and comply with the other part.

Mr. Speaker: Subject to the reservations expressed by the minister, is it the pleasure of the house to adopt the motion?

Motion agreed to.

COMMONWEALTH RELATIONS

SOUTH AFRICA—INQUIRY AS TO LEGISLATIVE ACTION FOLLOWING WITHDRAWAL

On the orders of the day:

Hon. Paul Martin (Essex East): Mr. Speaker, I should like to address a question to the Prime Minister. In view of the fact that on May 31 the Union of South Africa will become a republic and will cease to be a member of the commonwealth, has the government given any consideration to the necessity for legislative action by Canada

along lines announced in the United Kingdom by the introduction at Westminster of the republic of South Africa temporary provisions bill?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, very full consideration has been given to this matter. In the United Kingdom legislation known as standstill legislation was introduced providing for the continuance for a period of one year of the various acts and statutes that are in effect.

We believe there is no necessity for omnibus or comprehensive consideration of the various statutes that are in existence dealing either with South Africa in particular or the commonwealth in general, and that if there is a necessity for any legislative action it should be on an ad hoc basis.

Hon. J. W. Pickersgill (Bonavista-Twillingate): Mr. Speaker, I wonder whether I could put a question supplementary to the question asked by the hon. member for Essex East, to the Minister of Citizenship and Immigration, and ask the hon. lady whether her department has given any consideration, or is giving consideration, to what the status of South African citizens will be after May 31.

Hon. Ellen L. Fairclough (Minister of Citizenship and Immigration): No, Mr. Speaker; the number of applications which have been received have not been of a volume to require any special consideration.

Mr. Pickersgill: I think the hon. lady perhaps misunderstood my question. I was not referring to applications for admission to Canada of immigrants; I was referring to South African citizens who were resident in Canada and whose status might very well be affected under the existing citizenship act. I wonder whether the hon. lady or her officers have given any consideration to this question.

Mrs. Fairclough: Mr. Speaker, I am not sure that I understand the import of the hon. member's question. If these people are here as landed immigrants, of course they are in the same situation as when they arrived. If they wish to apply in due course for Canadian citizenship, of course nothing is altered with regard to their qualifications therefor. If they are here as visitors, of course this raises another problem which would have to be dealt with in due course, but since I do not know of any specific cases at the moment I am afraid I could not give an answer.

Mr. Martin (Essex East): A supplementary question, Mr. Speaker. May I ask the Minister of Justice, in view of the reply of the Minister of Citizenship and Immigration and the reply of the Prime Minister, whether the Department of Justice has examined this situation to find out, for instance, whether the citizenship act, the Canada Shipping Act or any of the existing commercial treaties will in any way be affected by the action of South Africa on May 31.

Hon. E. D. Fulton (Minister of Justice): Yes, Mr. Speaker, the Department of Justice, as usual, has anticipated the hon. member in this matter, and the result of our study was incorporated in the reply given by the Prime Minister.

INDUSTRY

USE OF SPECIAL FUND TO RETAIN CONTROL OF CANADIAN COMPANIES

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I should like to address a question to the Minister of Finance. Could the minister inform the house whether the government is giving consideration to the establishment of a fund which would be used when necessary to purchase shares in Canadian companies in order to prevent them coming under foreign control?

Hon. Donald M. Fleming (Minister of Finance): I think this is a question of the type which you have frequently ruled to be improper on orders of the day, Mr. Speaker.

Mr. Herridge: My question is based on an article in the *Globe and Mail* of today's date, and it does cause some concern and interest.

Mr. Speaker: In view of the objection taken I will give consideration to the question and advise the hon. member tomorrow.

TRANSPORT

RICHELIEU WATERWAY—REPORTED STATEMENT BY NEW YORK ENGINEER

On the orders of the day:

Mr. Maurice Johnson (Chambly-Rouville): I wish to address a question to the Prime Minister arising from an article which appeared in *Le Devoir* of today's date, according to which the mayor of Sorel, Dr. Robert Fiset, is reported to have received a letter from a consulting engineer in New York, Mr. William Lathrop Rich, in which he claims that Canada apparently does not favour a study of the feasibility of the construction of a waterway on the Richelieu and Hudson rivers, and that the department of the secretary of state of the United States is still awaiting an answer from the Canadian government to questions which were alleged to have been sent in November, 1958 dealing

with the New York-Montreal waterway. Would the Prime Minister care to comment on this statement.

Mr. Speaker: I think the hon. member is in effect citing a newspaper report and asking for its verification. If he wishes to direct a question based on the facts involved in that report it would be admissible under the rules, but to ask for the verification of newspaper reports is not permitted unless the hon. member who raises the matter is prepared to take responsibility for the accuracy of the facts about which he is inquiring.

Mr. Johnson: I am not taking responsibility for the accuracy of these statements. I am simply asking the Prime Minister whether he wishes to comment on the alleged facts or the reported statement by Mr. Lathrop Rich.

Mr. Speaker: If the Prime Minister is willing to accept the question I suppose it may be allowed.

Right Hon. J. G. Diefenbaker (Prime Minister): I do not know anything about the article in question. I would simply say to the hon. gentleman, whose interest in this matter is generally known, that the appropriate departments are continuing their study of this project. The review is of a continuing nature and has been in progress for some time. When the government is in a position to decide as to the proper course to be adopted on the basis of the examination which is taking place, the house will immediately be informed.

Mr. Lucien Cardin (Richelieu-Vercheres): In order to resolve this difficulty arising in connection with correspondence with the United States, does the Prime Minister not think it would be very useful to table all correspondence between the Canadian government and the United States government on this subject?

NATIONAL REVENUE

DUTY FREE SHOPS—PAYMENT OF EXCISE TAX AND DUTY

On the orders of the day:

Mr. J. R. Garland (Nipissing): In the regrettable absence of the Minister of National Revenue I wonder if I could address a question to the Minister of Finance. Would the hon. gentleman tell the house if the sale of goods at these duty free centres now being established in Canada enables the avoidance of Canadian sales and excise taxes as well as duty?

Hon. Donald M. Fleming (Minister of Finance): That is obviously not a question to be asked on the orders of the day. A starred question was dealt with earlier, and in the course of the reply any jurisdiction in relation to the licensing of such shops was expressly denied on the part of the government. If the hon. member is asking questions now about shops which are presently being operated, then the question should be put on the order paper and not be asked on the orders of the day.

Mr. Garland: I should like to submit a further question based on a report which appeared in yesterday's *Citizen* with respect to the formal seasonal opening of a Canadian duty free centre near the Thousand islands bridge. The report continues that a second such centre will be opened by the same company at Niagara Falls on June 25. I should like to ask the minister to tell the house why Canadian retailers, paying duty, paying sales tax and paying excise tax should be subjected to competition of this kind.

Mr. Fleming (Eglinton): That emphasizes the point I made in replying to the hon. member's earlier question. If this is a matter which involves any responsibility in relation to any federal department of government, it is not a question which should be asked on the orders of the day. If the hon. member has a question of this nature to ask, I suggest that he put it on the order paper in accordance with the rules of the house.

Mr. Garland: Why does the minister not answer the question?

ROYAL CANADIAN MOUNTED POLICE

INVESTIGATION OF STUDENTS ENGAGED IN BAN THE BOMB ACTIVITIES

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to direct a question to the Minister of Justice arising from my reading of yesterday's issue of *La Presse*.

In view of an article in *La Presse* of May 23, which describes an R.C.M.P. attempt to infiltrate the Laval section of the combined universities campaign for nuclear disarmament in presumed search of communists, will the minister assure the house that the R.C.M.P. will cease these heavy-handed attempts to interfere in—indeed, to smear—this highly commendable student attempt to bring about a change in our defence policy?

Hon. E. D. Fulton (Minister of Justice): I have not seen the article in question, therefore I am unable to say whether even that report gives any foundation for the hon. member's highly inaccurate and sensational allegation which, of course, I refute absolutely.

Inquiries of the Ministry

Inquiries by the R.C.M.P. into all matters, including security, are carried out in privacy, and information regarding them is never given except to persons properly entitled thereto. Any knowledge that such inquiries are being made, or any comments reaching the press, must therefore, on such occasions, come from those involved in or contacted during the course of such inquiries. This, of course, completely refutes any suggestion of smear on the part of the R.C.M.P.

Mr. Herridge: I would direct the attention of the minister to yesterday's issue of *La Presse,* which contains an important report on this matter. I should like to supplement my question by asking whether the minister is aware that the first meeting of the Laval section of the combined universities campaign for nuclear disarmament was addressed by Rev. Abbe O'Neil of Laval University, Dr. Jules Gilbert, director general of the Quebec hospital insurance service and by Major W. H. Pope, M.C.—

Mr. Speaker: The hon. gentleman is giving some very interesting information on a point which is not of urgent public importance.

COAL

CAPE BRETON—ACTION BY CABINET RESPECTING MINE CLOSINGS

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): I should like to preface my question by thanking the Minister of Mines and Technical Surveys for his courtesy in drawing my attention to the press release which he sent over to me. Perhaps I might be allowed in the circumstances to read the sentence from this release on which I wish to base my question. It is this:

> The government of Canada has agreed to pay a subsidy to the corporation (Dosco) to be applied against the losses which the company reports as due to the operation of these mines. The government of the province of Nova Scotia has agreed to assume part of the cost of these additional subsidies.

The question I should like to put to the minister is this. Has the government agreed to pay these losses for any period beyond the dates specified in the press release?

Hon. Paul Comtois (Minister of Mines and Technical Surveys): No, Mr. Speaker.

(Translation):

INCOME TAX

DRUMMONDVILLE, QUE.—REPORTED DELAY IN MAKING REFUNDS

On the orders of the day:

Mr. Samuel Boulanger (Drummond-Arthabaska): I want to ask the Minister of National Revenue or, in his absence, his parliamentary secretary, a question.

I am sorry I did not give him advance notice of my question, but I suggest that he might take it as notice because it arises out of a request I received this morning from 45 citizens of Drummondville, asking what are the reasons for the delay in returning to the taxpayers reimbursements coming to them for the year 1960?

Mr. M. J. A. Lambert (Parliamentary Secretary to the Minister of National Revenue): Mr. Speaker, if the hon. member will supply some details, I shall investigate and answer him later.

PUBLIC SERVICE

QUEBEC—INQUIRY AS TO APPOINTMENT OF CANAL SUPERINTENDENT

On the orders of the day:

Mr. J. O. Latour (Argenteuil-Deux-Montagnes): I wanted to ask the Secretary of State a question, but I notice that he is not here. However, he might perhaps answer my question later on. It has to do with the appointment—

(Text):

Mr. Speaker: Order. I suppose the hon. member might address his question to the Acting Secretary of State if he can identify the hon. gentleman, but I remind him that all questions must be directed toward a responsible minister or someone acting for him.

(Translation):

Mr. Latour: I might do so, Mr. Speaker, but I could also raise a question of personal privilege because this is a case which happened quite recently in my county.

It has to do with the appointment of a successor to the superintendent of the Carillon-Grenville canal, who died last March. The civil service commission has announced a competition on May 3. That competition was closed on May 15 and, on May 17, a successor was appointed.

I would like to know the names of the candidates who sent in applications for that competition. Moreover, I would like to know whether these candidates have been called—

(Text):

Mr. Speaker: Order. The hon. member's question relates to the administration of the civil service commission in filling appointments to the public service, in which it exercises an independent judgment, subject to parliament. I am not sure to what minister the question could be addressed. It is rather a novel one. In any event, it asks for information that cannot be expected without notice

on the order paper, and I suggest the hon. member might try putting the question on the order paper.

PUBLICATIONS

INQUIRY AS TO REPORT OF ROYAL COMMISSION

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Has the Prime Minister now received the O'Leary report? If so, how soon does he hope to be in a position to make it available to hon. members?

Right Hon. J. G. Diefenbaker (Prime Minister): I have not received the report yet.

Mr. Pickersgill: Can the Prime Minister answer the second part of the question?

Mr. Diefenbaker: Mr. Speaker, I cannot answer the second part until the first can be answered affirmatively.

Hon. Paul Martin (Essex East): May I ask a supplementary question. Can the Prime Minister say whether it is a fact that he was advised by the chairman that the report would be put in his hands this week?

Mr. Diefenbaker: The answer is no, Mr. Speaker, although I have read in the press that the secretary of the commission gave the press a statement to the effect that it would be delivered to me this week. I have not had that word from the chairman.

Mr. Pickersgill: Would the Prime Minister describe the information in the press as speculative?

Mr. Diefenbaker: I would put the type of questions that I have been asked in that category.

LABOUR CONDITIONS

MOOSONEE, ONT.—THREATENED STRIKE ACTION BY CARPENTERS

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): I should like to direct a question to the Minister of Labour. Since a vote favouring a strike has been taken by the carpenters' local on the Defence Construction Limited project in Moosonee, being carried out by Carter Construction Limited, will the minister indicate what action, if any, his officials have taken or are going to take to prevent this work stoppage?

Hon. Michael Starr (Minister of Labour): Mr. Speaker, I have nothing to add to the answer I gave to the hon. member for Fort William when he asked me a similar question regarding this situation.

Inquiries of the Ministry

UNEMPLOYMENT—REQUEST FOR LATEST STATISTICS

On the orders of the day:

Mr. N. L. Spencer (Essex West): The noticeable failure of my colleague from Essex East to persist in seeking information, which is the subject of my question, raises a suspicion in my mind that the information may not be to his liking. I should like to direct a question to the Minister of Labour and ask him whether the figures for last month are available as to the number of men employed in the labour force, and whether he is able to make a comparison with those of the previous month. I should also like to have the number of unemployed last month and a comparison with the number for the previous month.

Mr. Speaker: Before the question is proceeded with would the hon. member allow me to eliminate the first part of his statement, which was out of order; otherwise I expect a debate will arise on the issue.

Mr. Martin (Essex East): Before we continue with this may I suggest that the minister be allowed to make a statement on motions, and that would give me an opportunity to reply.

Mr. Speaker: Order.

Hon. Michael Starr (Minister of Labour): The dominion bureau of statistics released figures this morning showing a drop of 83,000 in the number of persons unemployed. I am sure all hon. members will agree with me that there is ground for optimism in the latest employment figures. The fact is, Mr. Speaker, that 170,000 new jobs were provided in the one month period between March and April this year. I think this is a considerable achievement in the economy. If we compare it with the figures at the same time last year, Mr. Speaker, we find that we have had an employment gain of 111,000 in April. This means that we have succeeded in providing 111,000 more new jobs in April of this year than in April, 1960. Taken into consideration with other reports, this in my submission is an indication that at the present time the measures which the government has proposed and which parliament has—

Mr. Speaker: Order. May I interrupt the minister. I am not sure how much of the submission was heard by the reporter—

Mr. Benidickson: He ignored you, sir.

Mr. Speaker: —but the minister is proceeding to debate the effect of the government's program. I see the hon. member for Essex East.

Mr. Martin (Essex East): May I ask a question, or perhaps, sir, you will permit me to make a comment about the figures, as the minister did.

Some hon. Members: No.

Mr. Fulton: He was stopped.

Mr. Martin (Essex East): I thought hon. gentlemen would be well disposed to accord that right, in view of the attitude taken by the Minister of Labour. May I continue?

Mr. Speaker: The hon. member is entitled to observe the rules of the house, as are all hon. members.

Hon. Paul Martin (Essex East): Mr. Speaker, I should like to ask the Minister of Labour a question, noting, along with him, with satisfaction the fact that there has been some improvement in the situation. But is it not a fact that, according to the reported figures, there are still over half a million unemployed, more than in any other country in the western world? Is this not a matter of concern even to this government?

Mr. Starr: Yes, Mr. Speaker, there are people unemployed as yet, even though the number is not greater than that of any other western country.

Mr. Martin (Essex East): It is greater than any western country.

Mr. Starr: There is every indication, as this press release shows, that the measures taken by this government are bringing about the desired result, and the problem will be minimized as the months go by.

HISTORIC SITES AND MONUMENTS

CLOSING OF FACILITIES ON HOLIDAYS DURING TOURIST SEASON

On the orders of the day:

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Yesterday the hon. member for Richelieu-Vercheres inquired concerning the closing of Sir Wilfrid Laurier's birthplace at St. Lin, Quebec, last Monday. I have looked into the matter and I find the house was closed on that day owing to the indisposition of the caretaker. I can assure the hon. member that it is the policy of the department to keep all national parks and historic sites open seven days a week, particularly on statutory holidays.

POWER

COLUMBIA RIVER—INQUIRY AS TO LETTER FROM B.C. PREMIER

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): Is the Minister of Finance now in a position to make available to the house the letter from the premier of British Columbia, dated January 13, 1961, about which the hon. member for Laurier asked on Monday and which the minister said he would be pleased to table if there was the consent of both governments? In view of the fact that the premier seems to have made selected portions of this letter public, perhaps I can ask the minister whether he really feels the whole letter should be denied to this parliament?

Hon. Donald M. Fleming (Minister of Finance): No; I shall be very pleased to table the letter, but I think out of courtesy to the government of British Columbia they should be approached in regard to it, and this is what I propose to do.

Mr. Pickersgill: In view of the fact that this is a matter of great public interest, does the minister intend to defer that approach, as everything is being deferred, until after next Monday?

Mr. Speaker: Order. The hon. member knows he is out of order in making a statement of that kind.

Mr. Fleming (Eglinton): Well, the hon. member has deliberately put a question that he knows is out of order. He has left, and deliberately sought to leave, an imputation on the record. He has been doing this right along. There is no deferment of any kind going on in this matter.

Mr. Pickersgill: Why did the minister not ask him on Monday?

Mr. Fleming (Eglinton): I believe I am to see the premier of British Columbia tomorrow. There has been no deferment of anything else, notwithstanding the attempt of the opposition to draw a lot of eyewash over this house and over the public in regard to this matter. The Leader of the Opposition makes irresponsible statements in the House of Commons and on the hustings.

Mr. Hellyer: Then you must be more incredibly incompetent than we thought.

Mr. Speaker: This is a very easy way to start an argument.

[*Later:*]

Mr. Pickersgill: Mr. Speaker, I should like to put a question to the Minister of Finance. Has the letter from the premier of British Columbia, to which I alluded in an earlier question, already been tabled in the house during the present session?

Mr. Speaker: I think it is unnecessary to ask a question the answer to which is readily available to all hon. members.

Mr. Pickersgill: On the point of order you have raised, sir, it had been suggested to me that it had been tabled. I have been searching to find out whether it has been tabled, and it seems to me a matter that would be clearly within the recollection of the minister, the

only person who could have tabled it. For the convenience of hon. members I was simply asking whether the minister would say whether this had happened.

IMMIGRATION

INQUIRY AS TO BARRING OF POLISH IMMIGRANT

On the orders of the day:

Hon. J. W. Pickersgill (Bonavista-Twillingate): I have another question I wish to put to the Minister of Citizenship and Immigration. Has the hon. lady seen the article in yesterday's edition of her favourite newspaper, the Toronto *Star*, which is headed "Proxy Bride Barred, He Quits Canada"? It refers to a Polish immigrant by the name of Wilk, and the article suggests a rather inhumane attitude on the part of the minister. Has she any comment to make on this case?

Hon. Ellen L. Fairclough (Minister of Citizenship and Immigration): The answer to all phases of the question is no.

THE BUDGET

INQUIRY AS TO PROBABLE DATE OF PRESENTATION

On the orders of the day:

Hon. Paul Martin (Essex East): I should like to ask the Minister of Finance a question. In view of his reluctance to disclose the nature of the nation's financial situation before the by-elections—

Some hon. Members: Order.

Mr. Martin (Essex East): —could he tell us whether the budget will be presented in the house before the 5th of June?

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, when it is timely and proper to make an announcement of that date it will be made, but I draw your attention to the fact that the hon. member for Essex East preceded his question with an observation and I think it is my right to make an observation.

Some hon. Members: Order.

Mr. Fleming (Eglinton): The last budget has not yet passed all phases of the parliamentary process, and at the present time the hon. member is trying to make it appear that there has been some delay. There has been no delay, and I think it ill behooves hon. members in the opposition to be making distortions of the facts.

Mr. Speaker: Order. I think the minister and the hon. member for Essex East have gone equally far afield, and we might close the debate.

Criminal Code

CRIMINAL CODE

REVISION OF PROVISIONS RESPECTING DEATH PENALTY

The house resumed, from Tuesday, May 23, consideration of the motion of Mr. Fulton for the second reading of Bill No. C-92, to amend the Criminal Code (capital murder).

(Translation):

Mr. Louis Fortin (Montmagny-L'Islet): Mr. Speaker, before I resume the remarks I was making last evening, I should like to point out that on this day, May 24, the province of Quebec honours Dollard des Ormeaux. History reports that, with 16 men, Dollard des Ormeaux prevented the Iroquois from attacking Ville-Marie and that his courage was such that it should inspire all Canadian youths. Today, I should like to urge once again the young people of my province to cultivate that hero's virtues and to develop within themselves a greater love for Canada, the better to appreciate the liberty we enjoy in this country.

At the conclusion of last evening's sitting, I was just going to criticize the suggestion made by the hon. member for Berthier-Maskinonge-Delanaudiere (Mr. Paul) to the effect that any murder should be considered as a capital murder. I was just going to suggest the contrary. However, in the meantime I had a chance to read over the hon. member's speech, and to give some thought to his suggestion and, since it is good to sleep on a problem, I am glad to say today that I fully agree with my colleague and that I, in turn, wish to suggest that any charge of murder should be one of capital murder.

Three reasons lead me to take this stand. First of all, if the charge is invariably one of capital murder and if during the trial, it is shown that the accused is not guilty of capital murder but of non-capital murder, the jury can always bring in a verdict of guilt of a lesser offense.

Second, if a person is accused of non-capital murder and if, during the trial, it becomes obvious that the crime committed is inded a capital murder, the jury would no longer be able to find the accused guilty of capital murder, and the accused would escape the prescribed penalty for capital murder.

Finally, if the attorney general is left to decide whether a person should be charged with capital murder or non-capital murder, he will then have discretionary powers which will cause him a lot of embarrassment since,

in fact, he will then have to decide all by himself whether or not the suspect has committed a capital murder.

Therefore, I fully endorse the suggestion made by the hon. member for Berthier-Maskinonge-Delanaudiere.

In addition, I would like to say that section 642A of the present bill is causing me some anxiety also. Let us say that, after they have deliberated, the jury come to the conclusion that the accused is guilty of murder. The judge would then pass judgment and, afterwards, would ask the jury whether they bring in a recommendation of mercy. This would more or less put the jurors under a moral obligation of recommending clemency.

Furthermore, the jury would have to have another opportunity to retire and decide whether or not the accused should be recommended to the clemency of the court.

I would rather suggest that somehow the wording of section 642A be made an integral part of the summary of the proceedings which the chairman of the court is required to deliver to the jury; the chairman would conclude his remarks by a reading of section 642A. The jurors would then be in a position to discuss two points: first, the guilt of the accused, and second, assuming that the accused was found guilty, they could immediately decide whether or not he should be recommended to the clemency of the court.

The hon. member who spoke before me last night pointed out that in the presence of the parents and friends and citizens attending the trial, it would be extremely difficult for a jury not to bring in a recommendation of clemency. It does seem that in every case, even if the accused did not deserve such a recommendation, the jurors would feel bound to make it.

Mr. Chairman, there is one extremely interesting point in this bill; the provision dealing with the costs of appeals. Under the former Criminal Code, a person found guilty of murder had to hang. However, he was told that he could appeal to a higher court, but this was on the condition that he was able to pay the costs.

There has been a tremendous amount of criticism on this score. Everywhere people would say that freedom could be bought, because if a court had made a mistake, the sentence could be appealed, but the convicted person had to pay, and in many cases a fabulous amount.

So I sincerely commend the Minister of Justice for making justice available to all, both the rich and the poor.

I would also draw the attention of the house to another point in relation to section 206-(4), in which reference is made to the penalty of life imprisonment. It is stated in subsection 4 of that section that with regard to part 20, the life imprisonment sentence provided under that section is a minimum penalty. I realize that this in no way affects the exercise of the royal prerogative, which in certain cases allows the governor in council to commute a sentence; however, I think it should be clearly set out that when an individual found guilty of capital murder is sentenced to life imprisonment, the national parole board will under no circumstances have the right to commute the sentence, and that the accused having been convicted of that crime will have to serve a life term, unless the governor in council should decide to exercise the royal prerogative.

Mr. Chairman, there is one last point I should like to deal with. I refer to the jury system which was so highly commended yesterday by the hon. member for Parkdale (Mr. Maloney). I must say I am not in agreement with him. I still feel that too heavy a responsibility is placed on the shoulders of those people. The man in the street—whether he be a farmer, a worker, an accountant or even a professional—is asked to act as a juror without any training whatsoever, and without any kind of court experience; he is asked to come and decide whether or not someone is guilty of murder.

I am not a criminologist, Mr. Speaker. I do not know whether it was by inclination or through necessity, but I have always kept at a respectful distance from criminal law. Nevertheless, I know that the jury is strongly influenced by the counsel who is arguing before him. He is sensitive first of all to the deportment of the lawyer, his general behaviour and, it must be admitted, most of all to his oratory. He is also sensitive to the prestige of the lawyer and, finally, if a counsel endowed with all the qualities I just mentioned can find among the panel a juryman who exercises a certain ascendancy over his colleagues, he has won his case.

It is easy to spot the juryman who seems to be the cleverest and the most sympathetic, and then the next step which is quite simple is to say to oneself: I must convince that man and, once I have convinced him, he will take upon himself, once they are behind closed doors, to work on the other jurymen.

In short, Mr. Speaker, let us say that the outcome of the case rests solely on the judgment that one member of the jury will form, thanks to the ability of the counsel to convince him of the merits of his argument.

Many an accused is without the financial means necessary to engage a lawyer. In that case, a counsel is appointed by the court. He is usually a young lawyer whose experience of course does not compare with that of the crown attorney. He lacks the prestige and the resources of an experienced lawyer, so that he cannot exercise upon a leader in the jury the influence which the attorney can wield and it is the accused who must suffer the consequences.

Since we are discussing officially appointed counsels, may I, Mr. Speaker, ask the minister to seek a means by which a nominal amount could be made available to an accused person to permit him to be represented by counsel, when that person cannot afford to be thus represented and so that he may be given the fair and just treatment to which he is entitled.

I notice that it is almost one o'clock, Mr. Speaker, but, with the permission of the house, I would like to go on. I would be satisfied with a few minutes more. I may exceed the hour by one or two minutes but I will have finished my speech.

Mr. Speaker, I do not think that in former years such a debated and debatable question has ever been introduced in the house. It is a matter where politics have nothing to do. It means that members whatever their party must form a personal opinion. Let us do away with a partisanship which unfortunately we have, because our responsibility is great—

(Text):

Mr. Speaker: I am sorry to interrupt the hon. member, but it is one o'clock.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

(Translation):

Mr. Fortin: Mr. Speaker, from the notes I had taken, I felt that my speech should last about 12 minutes. However, it was interrupted by two adjournments and this, of course, gave me an opportunity this morning of correcting a previous statement. However, I hope my speech as a whole will be fairly homogeneous once it is printed in *Hansard*.

Before the recess, I was telling the house that it bears a heavy responsibility. I am glad that today we do not have to decide whether capital punishment should be abolished because I, for one, could certainly not support such a step; it would be a little premature, in my opinion.

In conclusion, I should like to congratulate the Minister of Justice who, by sponsoring this bill, wishes justice to be done in the light of the circumstances under which a murder has been committed. Our laws concerning murder will thus be made more humane and, I would even say, more civilized. As stated last evening by the hon. member for Dufferin-Simcoe (Mr. Rowe), this is a step in the right direction.

To those who seek to abolish capital punishment, I will say this: Society must be protected. Moreover, I still feel that the threat of capital punishment constitutes a useful deterrent, but I will add that criminals should be executed only in extreme cases and when all possibilities of doubt have been eliminated.

In addition, to those who vigorously advocate retention of capital punishment according to the former provisions of the Criminal Code, I shall say this: the execution of only one innocent person constitutes a heinous crime that falls on all of society.

Therefore, let us congratulate the government who is offering us today a material improvement in the treatment of people charged with murder. However, while hoping that people under a charge of murder will benefit from our sympathy, let us not forget that they owe a debt to society and let us sympathize too above all with those who were left to mourn the death of an innocent victim.

I shall be pleased to vote for this bill, but if I had to express my opinion right now on the possibility of abolishing the death penalty altogether, I would vote against the bill, because I much prefer to be over zealous against crime than to offend the freedom and the inviolable right of any individual to life.

(Text):

Mr. R. H. Small (Danforth): Mr. Speaker, last year when this debate was before the house I did not have the opportunity to speak but as I listened to the trend of the debate I noticed that those who were in favour of

the bill abolishing capital punishment had the advantage of the first thrust of debate.

It seemed to me that all the hon. members who spoke in the debate at that time were for the abolition of capital punishment. Then, as hon. members of the house were seized with the seriousness of the matter and their responsibility in this regard, they became more interested as the debate progressed. Each hon. member, as the seriousness of this matter took possession of his conscience, felt it was his duty to talk on that particular bill.

The hon. member for Scarborough introduced the bill and this gave an opportunity to all hon. members to express their views. In my opinion it was very wise to have that debate. It brought out the various aspects of the issue and the various positions which hon. members of the house took with regard to it. It also gave the government the opportunity of being able to get the pulse of hon. members, who were likewise reflecting the pulse of Canada, on whether this bill was appropriate at that particular time.

The hon. member for York-Scarborough (Mr. McGee) who introduced the bill, the hon. member for Parkdale (Mr. Maloney) and other interested hon. members marshalled their facts as to the efficacy of the bill with great skill. They are to be highly congratulated in that they did not miss very much in their submissions. The hon. member for Parkdale is to be particularly congratulated for the eloquence of his speech on this matter. Admittedly the hon. member for Parkdale has great forensic ability, but he was also very eloquent in putting forward his argument. He was very moderate in his statements and he put forward a very convincing case. No doubt he was using the same skill that he uses in court, and it was very effective.

As the debate progressed the tension mounted; everyone was beginning to feel he should go on record, and the government wisely discontinued the debate. In so doing they were able to properly assess the sense of hon. members of the house and also, as I mentioned previously, the will of the people of Canada.

The hon. member for York-Scarborough who introduced the bill admitted when speaking last evening that it was patently plain that the motion would be defeated. But it was not a question of having the motion defeated; it was important that the house was given the opportunity of discussing this matter and having a full debate on it, because this question had come up time after time, as to whether we were following the right course in the method by which the government was handling the commutation of death sentences and rehearing these cases. Now they have had time to study this law and they have brought in Bill No. C-92.

The Prime Minister (Mr. Diefenbaker) and the Minister of Justice (Mr. Fulton), as has been previously stated, are to be highly congratulated, along with the cabinet, on this bill. The Minister of Justice especially deserves commendation for his masterly presentation of the bill. The government has been very meticulous in setting out what the bill will accomplish, as I have said, having the benefit of the previous debate.

I think my own feelings are known on this matter but I did not have the opportunity of speaking at the time the bill of the hon. member for York-Scarborough was introduced. It would now be futile to take up the time of the house in recounting my own feelings on this matter. However, there are some things I should mention now that Bill No. C-92 is before us.

The Minister of Justice, in summing up this bill, has decided to apply, I think, what I would term the method laid down by two who are considered to be among the most outstanding authorities on law. They have been mentioned several times during the debate. I refer to Sir Edward Coke and William Blackstone. Sir Edward Coke was speaking about the execution of the Earl of Essex. I tremble to mention that name because I might make a mistake and say "the hon. member for Essex East". But this was the Earl of Essex who was up for treason at that time because of his episode against the queen.

Sir Edward Coke was talking about treason and he set out the method by which he assessed this matter. That was, that the principle of law, the rule of reason and the benefit and experience of trials should apply. I am quite sure that the Minister of Justice and the cabinet have applied the principle of law which has been set. I am sure they have also used rules of reason. Likewise they have had the benefit of long experience of trials in arriving at their decision.

For all time this bill, notwithstanding what has been said, that it is a step in the right direction, will be a bill which will not be tampered with and no attempt will be made to amend it for some considerable time. This is because it correctly reflects the feeling of the people of Canada. Because of the meticulous care that has been taken by the draftsmen of this bill there will be little need for any alteration to it in the future. To sum up the way I look at it, and the way in which I think the majority of hon. members have interpreted the feeling of our people, crimes of passion do not warrant capital punishment. Those who commit crimes that are premeditated or committed in cold blood, are the

ones who will have to stand trial in court for determination as to whether justice demands the death penalty.

A great deal was said yesterday about the law, about it being punitive and retributive. I think hon. members will find that this bill is in conformity with our love of law and our system of order, which dates from the time of Alfred. At that time the king's word, Alfred's word, was law, but he insisted on the endorsation by the people of his edicts. He knew the popular heart and was close to the common people. He did not over-rate or under-rate the average mind, because in the final analysis he knew that the power was in the hands of the people themselves; it was in their hands to adopt the law and if it was not acceptable, they would not observe it.

We pride ourselves upon the justice of our laws. It has come down through the ages. The degree of civilization of society has always been judged on the basis of its concept of justice. I listened to the hon. member for Mount Royal (Mr. Macnaughton), and after hearing him I thought I had better look up the definition of "law" and see how it was set out. I went, as usual, to a dictionary in order to find out. I found the definition expressed in these words:

> All the rules of conduct established and enforced by the authority, legislation, or custom of a given community or other group: as a basic tenet of English law.
>
> The condition existing when obedience to such rules is general; established order.

The hon. member for Mount Royal defined the word "justice" very aptly, but I thought, nevertheless, that I should look it up for myself. The entry states very plainly:

> Sound reason; rightfulness; validity. Reward or penalty as deserved; the use of authority and power to uphold what is right, just or lawful.

I have here a reference to Edmund Burke who also has been frequently quoted. He said:

> Justice is itself the great standing policy of civil society; and any departure from it, under any circumsance, lies under the suspicion of being no policy at all.

I think that the minister, when drafting the bill, had all these concepts in mind and that this measure will result in a continuation, and even a broadening, of the conception of justice we have been following through the years. While the minority will have their rights under this legislation, it is recognized that the majority in this country also have their rights, and the system of law as we know it with its salient features of justice is being preserved.

As I followed the debate which took place last year I was impressed by the submission made by the hon. member for Vancouver East (Mr. Winch). He set out three incidents drawn from his experience during his life time. He told the house about three Indians who through misfortune, met with a sad fate. Apparently some incontinent officers charged with enforcing the law made debauching exactions upon the wives of these Indians, demands which were not within the code of morals and ethics. The Indians were incensed, went after the officers, and threw two of them over a cliff. For this they were apprehended, brought before a court of justice and condemned to death. The manner of their execution was faulty and inefficient, though that in itself was not the crux of this case, but created circumstances which were such as to inevitably arouse public sympathy for the condemned men.

The case which I have just outlined is an example of what is likely to follow any attack upon or molestation of women. If the law does not concern itself swiftly and effectively with such attacks, or if it does not mete out justice, men will resort to the law of the jungle and take the law into their own hands, because under the code of law in any land, civilized or uncivilized, men will protect their women. I think hon. members will find that the law as now proposed will cover such a case as I have just mentioned, the case which was first set out by the hon. member for Vancouver East.

The hon. member related the case of a lad 21 years of age who had been apprehended after a bank hold-up and robbery during which the teller was killed. The lad was the driver of the car that got away after a teller had been shot, but though he had taken no direct part in the killing he was condemned to death and finally hanged. The hon. member did not give us an explanation why he should not have been hanged except, possibly, on account of the lad's youth. In any event, this was a cold blooded murder, and he was an accomplice to the killing. The hon. member then told of a third case where an individual who had been away for some time in another province returned home to find his best friend in the house with his wife. In the heat of passion he killed them both. The man was tried, but the death sentence was afterwards commuted. This example does, in its own way, explain exactly what the present bill seeks to accomplish. In cases of cold blooded or premeditated murder, as well as cases of rape and crimes involving sexual deviation, there would be an application after a proper trial of the full weight of the law.

This brings us to the question whether the death penalty is a deterrent or whether it has no effect at all. The hon. member for York-Scarborough made use of a quotation from a report of a learned judge in the old

country, and this probably answers the question more effectively than I could answer it. It reads as follows:

> It is certainly not a deterrent to murderers who commit suicide and one third of all murderers do. It is not a deterrent to the insane and mentally deranged, or to those who commit murder in a quarrel, or in drunkenness or in a sudden surge of passion. This type of murder amounts to 80 per cent to 90 per cent of all murders that are committed.
>
> It is not a deterrent to the type of person who commits murder because he desires to be hanged, and these cases are not infrequent. It is not a deterrent to the person who firmly believes in his own perfect method—by poison, acid bath, and so on—which, he thinks, will never be found out.

This also, it appears to me, sums up exactly what the bill seeks to accomplish. Between 80 per cent and 90 per cent of all murders come within this category of persons who are insane or drunk, or who act in the heat of passion; they are eliminated from consideration in terms of the death penalty. We are left with the other 10 per cent who are cold blooded murderers with regard to whom society needs to take severe action. This does not involve being vindictive or punitive; it is only a matter of enforcing justice. In the same way, a person who commits a robbery knows in advance what the penalty will be if he is caught. He knows exactly what the consequences will be. The crime of murder does not, of course, come into the same category as offences against property, and when a murder has been cold blooded, or when there has been rape plus bestial conduct, the penalty is bound to reflect this difference, and people who commit such crimes come within the 10 per cent to which reference has been made, to whom the threat of a death penalty may be a deterrent.

I wish to differ from those who say that in these circumstances the death penalty is no deterrent. It is true that it is no deterrent to those in the wider category of 80 per cent to 90 per cent referred to by the hon. member for York-Scarborough. But there has been no adequate method of measuring the extent to which capital punishment does deter people from committing murder. The very fact that only 10 per cent of the crimes involving murder are committed as a result of premeditation shows that the death penalty may well be a deterrent to a lot of people—but there is no possible way of ascertaining the intention of individuals and whether or not they have been deterred, for obvious reasons. The very fact that perpetrators of murder are caught, tried and condemned to hang for their crime is evidence that the 10 per cent mentioned serve as a most effective deterrent against similar action on their part.

Reference was made to the horror attached to murder trials. Quite often sympathy is not directed toward the victim of the murder but to the person who perpetrated the crime. The culprit was said to be suffering because of the ordeal he was going through at the trial and before the execution took place. In the early days, immediately the sentence was passed the condemned individual was taken out and executed. But because it was felt that an innocent victim may be hanged, this system was changed and sufficient time was given the convicted man to gather information and enter an appeal to prove innocence. Because of the humaneness of the justices at that time, provision was made for the gathering of evidence to launch an appeal. The result is that something which was granted as a humane action has now come to be regarded as an ordeal inspiring public sympathy because the time between the passing of the sentence and the execution has been prolonged. The result is that the relatives of the victim are considered to go through an ordeal. The relatives of the murdered individual are relegated to the limbo of the forgotten and the sympathy is always given to the person who perpetrated the crime.

Cold blooded murders have been mentioned. I will give the house a few illustrations of what has happened in the city of Toronto. I recall an individual who had been in a hold-up. Later his car was stopped by a policeman and he was asked to show his driver's licence. On the pretext of pulling out his licence he pulled out a gun and shot the policeman. The policeman died. I suppose in those circumstances it could be called a cold blooded murder. But excuses are made. Perhaps he ate something that morning which upset him, and his disposition was such that he did not feel right. He did not mean to shoot the policeman, but he did.

Just recently an officer of the law was hot on the trail of a couple of individuals who had committed some bank robberies. They were traced to a certain street. The officer pulled up his car, got out to question the men, and one of them pulled out his gun and shot the policeman in his tracks. He lived three months. He went through physical and mental torture before he died. All the sympathy was given to the individual who committed the robbery. The man who was murdered left a family deprived of his care and his promising future was prematurely finished. I suppose it could be said that the robber was not feeling right that day and he should not be looked upon as a serious offender. I could mention other cases.

I was raised in a community in close proximity to the jail where all the executions took place. My memory goes back to the turn of the century. Trial reports were

followed very closely in those days, more so than now, because of verbatim coverage. Outstanding lawyers were engaged, as was mentioned by the hon. member for Parkdale. Budding Blackstones and Cokes were given their opportunity to gain experience. We had some outstanding lawyers in those days such as George Lynch-Staunton, George Tate Blackstock, Zebulum Lash and Tom Robinette. In the future I do not suppose any of the young lawyers coming along will be deprived of the opportunity to get experience in court trials because there will always be a demand for genius. I do not think there will be fewer murders.

The point I wish to make was mentioned by the hon. member for Dufferin-Simcoe (Mr. Rowe). It is our duty to protect the citizens of Canada against the perpetrators of crime. I think the debate has been of sufficient length. As I have said, I think this bill is going to meet the purpose as I see it. However, I should try to emphasize one thing. Reference has been made to the cost of keeping those individuals in prison. Surely we are not going to measure justice in that way. We do not want to return to the vicious system of justice and law which prevailed in the olden days and to which Sir Winston Churchill has made reference and under which a person was imprisoned for a crime and the length of imprisonment was based on the status of the individual concerned. If an ordinary peasant was killed the punishment was so much; if an earl, it was so much; if it was a prince it was so much, and so on, according to the rank of the individual killed. It was a vicious and sordid system because the penalty increased according to the rank. If it was a prince, then the penalty was extremely severe. I am sure we do not want that kind of a system in this country where the penalty for murder is based on the status of the individual in the country. I do not think this country wants the sort of law under which a convicted man pays his debt to society according to a schedule of tariff tolls, as it were.

This bill sets out what the law is going to be and justice will be based on it. If the principles of this legislation are followed out there is no doubt that they will amply cover any situation. Public opinion in this country has jelled. Those who have advocated abolition of capital punishment have made certain points. No one has ever submitted proof that since confederation anyone who was innocent has been hanged for murder. Abolitionists tell you that there are many of them but they do not point out any particular case. The fact of the matter is that our system of law has been so sound and the people are so satisfied with it that very few changes are required.

Those who are convicted of capital crimes will have the right to have their cases reconsidered on recommendation of the jury. Certain categories will be set out in the law and premeditated and cold blooded murderers will have to submit to what we call punitive justice as we know it, which course reflects the will of the majority of the people of Canada.

It is said that the people of the country are in favour of abolishing capital punishment. I question that because people have communicated with me on the matter both by telephone and by correspondence. Sometimes they are very forceful in their presentations but when they become threatening I cite to them a case that took place in my own particular area. A young girl was taken from the sidewalk on the main artery to a ravine where she was raped and bestially treated. This was done by an individual who had just been released from jail after serving a sentence for the same kind of offence. When the case was being investigated one of the detectives looked at the circumstances and said that it was Mr. so and so.

The man was immediately traced to where he was working. There was no question about who had committed the murder because the evidence was on him. He was apprehended and received the full penalty of law. When I describe such a case to individuals who are so possessed with the idea of abolishing capital punishment they invariably say that there are exceptions to all rules.

That is why this bill is sound in providing that capital punishment should be retained to take care of such cases. As I have said before, the Minister of Justice has drafted the bill on sound principles of law and reasonable rules that will operate effectively. The experience of trials in the past has been a factor in assisting the minister to bring forward what the people of Canada want. I think there will be little necessity in the future for amendment of the bill in any shape or form. The cases that have been mentioned will fit within the ambit and construction of the law and justice and the result will be better for the people of Canada because the bill takes into consideration the views that have been presented on this matter. Every hon. member has been sincere in presenting his opinion and is going to make his decision on the basis of what his conscience tells him to do. As a result of this debate I think we will come up with the best possible legislation to deal with this very serious question.

Hon. W. J. Browne (Solicitor General): Mr. Speaker, for the past six months I have been closely associated with the branch in the Department of Justice that has had a good deal to do with capital cases. I know something of the care and attention that have been given in the past to the possibility of the condemned person receiving commutation through the exercise of the prerogative of mercy. I think we can all agree with the observation of the last speaker that the bill should satisfy everybody. It should satisfy those who are opposed to complete abolition and it should satisfy those, and I know it does, who have been working toward that end because there has been a change in the definition of murder as is set forth in the bill itself.

We must always remember that the chief purpose of punishment is protection of the public. Those who are entrusted with the administration of justice have a sacred duty to see that the punishment is effective in carrying out its object. The traditional punishment for murder, as it has been for treason and for piracy, has been death. For murder this is a mandatory punishment that must be imposed as soon as the person is found guilty. Until 1955 a person convicted of rape was liable to a sentence of death. We have made progress by having that eliminated.

We have now, as most countries have, an elaborate system for the detection, prevention, deterrence and punishment of crime. We have federal police, provincial police and municipal police. We have federal courts, provincial courts, municipal courts, county courts and districts courts. We have crown lawyers and defence lawyers. This whole elaborate system has been devised for the furtherance of the administration of justice. Therefore I think it is fair to say that in this country a man accused of a crime has every safeguard to see that he gets a fair and just trial.

We recognize in this country that a man is innocent until he has been proven guilty, and it has been generally accepted by the legal profession that a crown prosecutor is not out to gain a conviction but rather to see that justice is done. In the province of Quebec there is an instruction in the code for Quebec lawyers to the effect that their duty when acting as a crown attorney is not to win a conviction but to see that justice is done. In the light of these circumstances existing in the fabric of justice in this country, I think everyone has reason to be proud and no reason to fear that any injustice is going to be done to a person who is accused.

The question of capital punishment exercises more interest than any other type of punishment. It is of universal interest and people are divided on the matter. There are strong opinions such as we heard yesterday from the hon. member for Hull (Mr. Caron) and the hon. member for Vancouver East (Mr. Winch). I think the hon. member for Vancouver East went too far, and I also think the hon. member for Hull went too far in his uncompromising attitude toward any change at all. If he looks at the matter fairly, I think he will see that the bill is a very fair one because he must recognize, as I will show later in my remarks, that in each year only a very few people are executed for murder although the number of murders is many times greater than the number of executions. Not only is this so now but it has been so for many years in Canada.

I think the hon. member who preceded me also made a true observation when he said that the debate has been a most interesting one because members have spoken sincerely on this subject about which they feel so strongly. We all know that this subject has been a matter of great interest in Canada for many years and it has also been of great interest in other countries. In 1949 a commission was appointed in the United Kingdom which took four years to develop its report. I would say that the report is a classic which every lawyer and every person interested in the question of capital punishment should try to read in full or at least in part. The commission was set up for this purpose, and I read from the royal warrant:

> Whereas we have deemed it expedient that a commission should forthwith issue to consider and report whether liability under the criminal law in Great Britain to suffer capital punishment for murder should be limited or modified and, if so, to what extent and by what means, for how long and under what conditions persons who would otherwise have been liable to suffer capital punishment should be detained, and what changes in the existing law and the prison system would be required; and to inquire into and take account of the position in those countries whose experience and practice may throw light on these questions.

The commission spent four years considering this matter. They visited other countries including the United States and various countries on the continent of Europe, and they came up with this report.

In 1955 a joint committee of the Senate and the House of Commons of Canada was appointed to study the question of capital punishment and it reported on June 27, 1956. We have here today several members who served on that committee, including the hon. member for Vancouver East (Mr. Winch), the hon. member for Victoria-Carleton (Mr. Montgomery), and I believe the Minister of Justice (Mr. Fulton) served part time on it, as well as two or three other members. The work of this committee occupied three sessions and they studied the administration of the Criminal Code in Canada as it related to

this question of capital punishment. I should like to read from the first section of their report, which says:

> The committee endeavoured to give consideration to all aspects of the question of capital punishment. In addition to its study of the principal issue of abolition or retention, it considered proposals for limiting or modifying capital punishment by changes in law or procedure and gave special consideration to methods of executing the sentence of capital punishment. The committee, however, expressly excluded from its inquiry any consideration of the defence of insanity and related problems—

It will be seen, therefore, that these two studies constitute the important groundwork for anyone wishing to ascertain what has been done elsewhere as well as what has been done in this country. In addition, I should like to pay tribute to the work of the officials of the Department of Justice who have been studying these reports and keeping abreast of developments in other countries. I am aware of their worth because I have been dealing with them. They are as up to date as any officials could possibly be with regard to the law relating to capital punishment.

The hon. member for Vancouver East doubted the value of capital punishment as a deterrent. We all know that it is not a deterrent in all cases because we can usually visualize circumstances in which a man, in a fit of temper, commits an offence for which he is extremely sorry immediately afterwards. I think we can easily imagine a number of circumstances under which a murder might be committed which we would not regard as a capital murder. The hon. member for Danforth (Mr. Small) has enumerated some murders of the type I have in mind. However, it is only common sense to conclude that capital punishment must be a deterrent for many persons. The very fact that we speak of cold-blooded murder, calculated murder, is evidence of this fact. We refer to people doing something by stealth. Why do they do it by stealth? Because they do not want to be found out. How many are there who commit murder mentally, who would like to murder someone but are afraid to do so because of the punishment that might be meted out to them if they were caught?

When the hon. member for Vancouver East told us he opposed capital punishment, he did not agree with the findings of the committee of which he spoke so highly yesterday. This committee, in making its recommendations, said:

> While the committee considered that capital punishment should be subjected to periodic review by parliament, it recommends that the death penalty should be retained as the mandatory punishment for the crime of murder.

That is what we are doing. We are reviewing it here and we are introducing some modifications of the law. Under the provisions of this bill, a person who is convicted of capital murder is going to have an automatic right of appeal to the supreme court of his province. Then, if he still has any grounds for appeal, he may appeal to the Supreme Court of Canada. If he cannot afford counsel, he is usually supplied with counsel. He is being supplied with counsel today, and that situation will continue. He will also be supplied with copies of the addresses of counsel and the evidence. This is a great advance.

Some hon. members referred to the provisions of clause 13 which says:

> Where a jury finds an accused guilty of an offence punishable by death, the judge who presides at the trial shall, before discharging the jury, put to them the following question:

This is a reference to the question of whether or not the jury wishes to make a recommendation for mercy. The jury is not required to do so. In other words, the jury does not have to bring in a recommendation when the judge addresses them. They may say, no, we do not wish to say anything about that or they can say, yes, we would like to recommend clemency. At the present time a jury may bring in a recommendation of clemency or they may not. In many cases they do not do so and, of course, it is said that they do not do so because they are not aware of the fact they have that privilege. This is a new procedure, and it will be interesting to see how it works out. A similar provision was recommended by the Gowers report in Great Britain. They went farther than we are going here, leaving entirely to the jury the right to make a recommendation as to whether a person should get life imprisonment or whether the death penalty should be carried out. The subject of giving the jury this discretion is dealt with at considerable length.

I should like to make an observation here in connection with the remarks made by the hon. member for Maisonneuve-Rosemont (Mr. Deschatelets), who asked why we did not follow more closely the recommendations of the joint committee. It must be remembered that the previous government did not follow these recommendations at all. There are 13 recommendations in this report, and of those 13 we have carried out nine in this bill. The ones that we have not carried out have to do with a change in the definition of murder, the degrees of murder—

Mr. Deschatelets: Will the hon. member permit a question? Does he not agree that if the present government have accepted eight or nine of the recommendations, they have left aside the most important ones?

Mr. Browne (St. John's West): That is a matter of opinion. We are not carrying out all the recommendations, but we are carrying out nine of them. The hon. member himself recommended that one of them should not be carried out, that is the retention of capital punishment for women. If he can recommend that this one should not be carried out, why should not the government, having considered the matter carefully, select certain recommendations to be carried out? We have not approved of any change in the method of carrying out the death penalty. The commission appointed in the United Kingdom recommended that there should be no change over there, so we are following the recommendation which was made in the United Kingdom.

There is only one other point I wish to bring to the attention of the house before I sit down, and that relates to statistics. The Gowers report deals at length with statistics. As we know, statistics can be brought forward in support of both sides of a question. Unless the statistics are of the same type, unless you are certain what those statistics really mean, they are of no value. Since I became Solicitor General, I have taken some pains to try to get some statistics to indicate what is happening in Canada with regard to capital cases. I must confess it is extremely difficult. I have a table here which I should like permission to put on *Hansard*. When I do so, I should like to give a warning that these statistics are not complete. There are footnotes which explain the deficiencies, and they will give some idea of the disadvantage in which we are placed in Canada in trying to get statistics.

One must remember that there are federal police, provincial police, county police, district police and municipal police. There is no central office in which these statistics are collected. We do get statistics relating to convictions, of course, but it is difficult to get information on the number of murders that occur and what happens afterwards in those cases.

May I have the permission of the house to have this table printed in *Hansard*?

Mr. Deputy Speaker: Does the house agree to give the Solicitor General leave to have printed in *Hansard* at this point in his speech the table to which he has referred?

Some hon. Members: Agreed.

[*Editor's Note: The table above referred to follows at page 5309.*]

Mr. Browne (St. John's West): Finally, Mr. Speaker, may I say that I believe this bill is a very valuable one. As I have said, it should satisfy those who wish the retention of capital punishment for the more heinous crimes of murder and at the same time it is a step in the direction which those who favour abolition desire.

I should like to join with all the other hon. members in congratulating the Minister of Justice on the fine presentation he gave us yesterday on this subject.

(Translation):

Mr. Jean-Paul Racine (Beauce): Mr. Speaker, I am, I must say, neither a criminologist nor an eminent member of the bar association, but I am nevertheless interested in this bill, as are my constituents.

This is a most important piece of legislation since it tends to make a distinction between capital murder and non-capital murder.

A moment ago, I was saying that I am not a lawyer. That means that I will never be a crown attorney nor an attorney for the defence but, some day, I may be called upon to sit on a jury. That is why I was greatly impressed by the remarks which the hon. member for Maisonneuve-Rosemont (Mr. Deschatelets) made yesterday during this debate. I should like to quote from page 5227 of *Hansard*:

> I am under the impression that we are imposing quite a responsibility on the jury. I think all those who have some court experience will agree—and experience points in that direction—that juries feel repugnance against the death penalty and are loath to make a decision which could send a man to his death. That is why in many instances in recent years, juries have rendered verdicts inconsistent with the evidence, simply because they felt reluctant to making such a decision—and this is a human reaction for men with no court experience—and did not want to assume responsibility for a decision which would have involved loss of life for one of their fellow men.

That is undoubtedly what happens in courts of justice. The judge always asks the jury to be as impartial as possible but, under the present law, it may happen under certain circumstances, that the accused is condemned to death by the jury. Now, as prescribed by section 13, the judge must say to the jury:

> You have found the accused guilty and the law requires that I now pronounce sentence of death against him (or "the law provides that he may be sentenced to death", as the case may be). Do

STATISTICAL DATA RELATING TO CAPITAL CASES REPORTED BY THE POLICE, COURTS AND SECRETARY OF STATE DEPARTMENT, 1951-1958, CANADA

Year	Number of murders known to police (1) (2) (9) A	Number of murders solved by police (1) (2) (3) (4) (9) B	Number of charges of murder (5) C	Number of convictions D	Number of acquittals E	Number of charges reduced to manslaughter (6) F	Insanity G	Other disposition H	Commutations (8) I	Executions (8) J
1951	100	89	52	15	30	—	7	—	2	6
1952	105	94	50	18	23	—	—	9	3	12
1953	120	87	36	10	17	31	8	1	10	11
1954	116	96	35	15	16	40	4	—	1	4
1955	111	82	34	16	11	24	4	3	5	8
1956	123	97	24	10	7	31	6	1	8	4
1957	110	78	42	8	24	36	9	1	6	4
1958	148	94	35	19	12	23	3	1	15	2

1. From 1951 to 1953 inclusive, figures for Yukon and Northwest Territories are not included.

2. In 1957, figures for murders known and solved by Ontario Provincial Police are not included. The O.P.P. did not report in that year. This also applies for the table for Ontario.

3. In 1957 and 1958 the R.C.M.P. did not report conclusions, but did report prosecutions. The data for prosecutions have been included in column B.

4. In 1958, the Ontario Provincial Police did not report conclusions, but did report prosecutions. The data for prosecutions have been included in column B.

5. Figures include charges which resulted in conviction, acquittal, jury disagreement, no bill and *nolle prosequi*; but do not include charges resulting in convictions for the included offence of manslaughter (See footnote (7)).

6. Figures prior to 1953 are not available. The murder charges resulting in convictions for the included offence of manslaughter are additional to the number of charges of murder listed under the column "Number of Charges of Murder" (See footnote (5)).

7. From 1951 to 1953 inclusive, the number of murders known and solved reported by the R.C.M.P. are not broken down by provinces. Provincial totals do not equal the totals for Canada.

8. Figures represent commutations and executions that took place the year mentioned regardless of the year sentences of death were imposed.

9. Figures for the Quebec Provincial Police are not available.

you wish to make any recommendation as to whether or not he should be granted clemency. You are not required to make any recommendation but if you do make a recommendation either in favour of clemency or against it, your recommendation will be included in the report that I am required to make of this case to the Minister of Justice and will be given due consideration.

Mr. Speaker, I can just see myself in the shoes of the jurors who, after several long days of trial, see the accused in front of them, placed between two policemen and looking rather depressed; under such circumstances —it is quite human—he cannot but inspire pity. I am sure that in many cases, the jurors will soften up, and following that statement by the judge, will recommend the accused to the clemency of the Minister of Justice.

However, if we refer to the report of the senate and house joint committee on capital punishment which was published on June 29, 1956, we find that the reasons in favour of capital punishment are quite decisive and can only prompt us to favour the status quo. In fact, it is mentioned that capital punishment has a deterrent effect. I quote:

The committee was deeply impressed by the support given the death penalty by those who are responsible for the administration of the law. It includes all the attorneys general of all the provinces except Saskatchewan.

Second, here is what we find under the heading "Punishment":

It has been argued that capital punishment is the just and appropriate punishment for murder. It has been claimed that more than any other penalty, it shows the horror felt by society towards the person who destroys life, and its repugnance for the crime of crimes.

Here is another quotation:

(3) Public opinion.

It has been stated that public opinion in Canada remained substantially in favour of capital punishment and that it would be unwise for the parliament of Canada to abolish capital punishment against the will of the majority of Canadian citizens.

Moreover, there is a section which relates to prison administration, where we find this:

It has been alleged that additional administrative problems would arise in the penitentiaries, if all those found guilty of murder were imprisoned.

And, under section (5), there is mention of a trend towards crimes of violence, and I quote again:

In a young country in full development, like Canada, with a population of multiple ethnical origins, the need for a deterrent like capital punishment is greater.

And a little further on, it says:

Moreover, it has been said that hardened criminals were more inclined to resort to violence. Capital punishment would be a better deterrent, for that category of criminals, than mere imprisonment, in

respect of which they are already hardened and which they are inclined to consider as a professional risk.

But yet, Mr. Speaker, recommendations have been made by that committee. As the Solicitor General just said, several of those recommendations have been followed by this government. However, we should not forget that the less important recommendations have been followed, with the possibility that the more important were ignored.

Among those recommendations, you have first of all:

(1) Retention of the death penalty as mandatory in murder cases.

(2) Retention of capital punishment for treason and piracy.

(3) No change to murder definition.

(4) No "degree" of murder.

Despite this recommendation to avoid providing any degree of murder, we see what has happened and we can realize that this bill rather tends to make a classification, for it includes various degrees of murder.

Under 5 you have:

(5) No special provision for women.

And as a last recommendation:

(13) Abolition of hanging to be replaced by electrocution or, as an alternative, the lethal chamber.

Confronted with this bill, I suggest we are entitled to wonder why the government and the Minister of Justice in particular have ignored most of those recommendations.

The Minister of Justice might reply that it has nothing to do with the abolition of capital punishment, but I believe that, by passing this bill, we are progressively working towards abolition of capital punishment.

I realize that under such circumstances, it may be wise to think of the criminal. But we should not forget his victim, nor those who are left behind; I refer, for instance, to the victim's widow and orphans.

As for me, I admit that I am not here to protect the criminal—and such is the case of all other members whose sincerity I do not question—but to protect the victim. I was rather impressed yesterday by the remarks of the member for Dufferin-Simcoe (Mr. Rowe) who dealt with this matter in a deeply humane way. I was particularly interested in the part of his speech where he mentioned that many of our young people are now lying in cemeteries because they have fought to protect freedom and democracy.

I consider this measure as a step toward the abolition of capital punishment, and this is why I shall vote against it.

I heard earlier the member for Montmagny-L'Islet (Mr. Fortin), himself a lawyer, state that if the issue was the abolition of capital punishment, he would vote against it. I shall then vote against the bill and, like many others, I shall vote against abolishing capital punishment.

Mr. Speaker, I must remind the house that I am much more concerned with the life of decent people than with the welfare of criminals and realizing what happened in the past in our courts, I feel that the same procedure should be maintained.

Mr. Robert Lafreniere (Quebec-Montmorency): Mr. Speaker, the question of capital punishment raises many difficulties for any individual, regardless of his experience and his qualifications.

Over the ages it was a matter which haunted the mind of man. The most brilliant brains have studied that important problem and have always come to varied and opposed conclusions. In all countries, all through the ages, everyone of those people has considered the question with utmost sincerity wondering whether capital punishment should be maintained or abolished. The same phenomenon is now observed in Canada, where we see that public opinion is almost equally divided on the issue.

Therefore, Mr. Speaker, the first citizen of Canada was right when he stated in the House of Commons in February 1960, that in 20 years of parliamentary experience, he did not think he had seen more interest on the part of the members on any other issue. That means, Mr. Speaker, that each and every member of parliament is fully aware of the tremendous moral responsibility he is assuming when he expresses his views on this delicate subject.

When speaking for or against capital punishment, not only are we playing our part as legislators, but we are also acting as judges.

If we are in favour of maintaining the death penalty, we are literally sending to the gallows thousands of human beings who in the future will commit murders. It is a painful obligation.

On the other hand, if we ask for abolition of capital punishment, we may be inviting some shady character who respects neither law nor religion, with no respect of any kind for human life, to commit crimes against thousands of our fellow men. This, Mr. Speaker, is a frightful risk which a government cannot easily take.

Of course, we would be in a much better position to judge the situation if we knew to what extent the death penalty is an efficient deterrent against homicide. But it is absolutely impossible to know how many individuals have refrained from committing the horrible crime of murder because they were afraid of being sent to the gallows.

On the other hand, one thing is sure. There is nothing more deep-rooted and stronger in any man, in any living being than the instinct of self-preservation.

There is another, equally certain fact: the prospect of death, the unavoidable, final and irrevocable punishment, haunts and gnaws at the mind of the potential murderer if he has the least opportunity to think it over before committing his crime. This potential murderer, even before doing this horrible thing which is the taking away or one's life, knows perfectly well that in this twentieth century, with the efficient and modern means available to the law, he probably does not have one chance in a hundred to hide his crime forever and to escape the punishment which will be inflicted upon him by the authority. Thus that fear may be for him the mother of wisdom. That is why I feel that the death penalty is an efficient and strong enough preventative to stop a murderer.

It is clear, Mr. Speaker, that all human beings loathe the death penalty; I personally consider it as an extraordinary evil and do not accept it for all kinds of murders as I shall explain a little later. But even if it is an evil, we must unfortunately consider it as a necessary evil in our modern society, and I should like to see it disappear if such a disappearance did not mean a menace to public good.

I would like to be able to say: Canada has such a respect for life that it does not deliberately accept that a human being be put to death.

Indeed, it is the duty of the authorities to use all possible means to enhance to the fullest extent in the minds of men, spiritual and moral values and the concept of human dignity.

Will the abolition of capital punishment lead to that end, under the circumstances?

We must answer that question by the negative if we agree that capital punishment is an efficient deterrent against homicide and if we remember that the first and immediate duty of the state is to make the general or common

interest prevail over personal interest, to protect the whole of society against the murderers of tomorrow.

The role of a legislator is often a hard task but, as far as this matter is concerned, we are here to protect society against criminals.

That, in my opinion, is the stand which the state must take on that serious problem. Besides, such a stand is in accordance with the Christian principles which have been instilled in the hearts and minds of the vast majority of Canadian members of parliament.

Indeed, this is what we read in St. Thomas Aquinas' *Summa Theologica:*

> Only he who is in charge of the community, has the power of life and death.

Volume X of the *Dictionary of Catholic Theology* adds the following corollary:

> However, there is no homicide and, consequently, no sin against the divine commandment *Non occides* (Thou shalt not kill), when human justice formally calls for capital punishment.
>
> St. Thomas adds that, in such a case, the human authorities act as the vicar of God in matters which come under them.

To that, I should like to add the following words which are taken from a profession of faith written by Pope Innocent III in the twelfth century:

> We declare that lay authorities may, without committing a mortal sin, pass a sentence which entails the shedding of blood, providing such sentence is motivated not by hatred but by judgment and is not decided hastily but in all wisdom.

Mr. Speaker, I am very happy to notice that the principle of this bill is in accordance with the sound logic on which the state must always base its decisions, and with the fundamental principles of the church to which I belong.

I must congratulate the Minister of Justice most heartily for having prepared with such devotion and understanding this bill which protects society and strictly respects the rights of individuals who are to be judged by their fellow men.

An examination of section 202A reveals that the bill sets a distinction between capital murder and non-capital murder. That is the substance of the bill. The basic principle is premeditation, and that is why I was saying a while ago that I am in favour of capital punishment but that I cannot accept that the professional killer who does not hesitate to commit a murder to come into the possession of material goods, be treated the same way as the murderer whose intellectual faculties were momentarily unbalanced under the heat of madness or passion.

[Mr. Lafrenière.]

Let us consider the case of a bank robber who prepares his deed coldly, carefully. He is familiar with all the details of the place where he will break in. He carries weapons which can mean death and, in cold blood, he decides to shoot anyone standing in his way, without any consideration for the value his victim might have for his family and the community.

That is capital murder, a murder of a calculated and deliberate nature, a murder which is planned.

But this is not the case for crimes of passion which are committed under violent emotional stress due to various circumstances, when, in a moment of mental aberration or insanity, a citizen who never thought of becoming a murderer or homicide, will deal a fellow man the fatal blow.

The legislation before us precisely sets out the difference between capital murder and non-capital murder. Besides, it strikes us that the bill is but the logical following up, or consecration by law, of a practice established by the various governments over the years.

I looked up the statistics quoted in the house in March 1960 by the Minister of Justice, covering the period from 1930 to 1959 inclusive and dealing with the number of sentences, executions and commutations. I found that during the last 30 years there have been about 608 death sentences, 210 executions and 158 commutations.

Well, this bill is conceived so as to give a better opportunity of appreciating all circumstances in each particular case.

To that end, there is, among others, a provision under clause 8 which lessens the danger of a miscarriage of justice for an indicted person.

Moreover, the bill gives greater latitude to the members of the jury. And I approve without any reservation the remarks made yesterday by an hon. member in this house, to the effect that the jury should have legally a greater latitude with regard to the interpretation of the facts and the strictness of the law.

Mr. Speaker, I now want to answer the hon. member for Beauce (Mr. Racine), who complained earlier of the situation in which a jury could find itself when, under clause 13, the judge asks them whether they wish to make a recommendation for clemency.

It is quite clear that the members of the jury could find themselves in a situation

where their will would lack firmness. However, in any case, I believe there is less chance of error in being generous than in being absolutely just. This is why I maintain that this clause 13 is drafted in quite a humane spirit and will allow the jury to precisely appreciate all particular cases, all the details, all the evidence which will be submitted to them.

Mr. Speaker, I know that other hon. members will speak on this question and I will sum up the principle of this bill by the following words: while it is quite difficult for a state to deliberately apply the death penalty by using its powers, we must remember that capital punishment is applied by the state only against the person who has been found guilty of a crime committed with premeditation and by the use of force or trickery, or both.

Of course, Mr. Speaker, I do not believe that our society is willing to set aside that evil referred to earlier, that is capital punishment. But, while waiting for Christian principles to make our society and individuals more perfect, I believe the legislator has the duty to retain capital punishment while at the same time introducing the necessary and humanitarian mitigations, according to circumstances, and this, for the best interests of society.

Mr. Maurice Johnson (Chambly-Rouville): Mr. Speaker, never before have I been so tense as I am today in rising to speak in this house.

This question of the death penalty which we are called upon to consider is so important that any member who wants to give a sincere opinion has to think it over very seriously.

No doubt, Mr. Speaker, it would be easy to rely unreservedly on the cabinet, and to say that these wise men, who have studied the question with the help of many experts and who have decided to introduce this bill must have drafted a good piece of legislation which deserves our approval and we should not question the wisdom of the decision taken.

Nevertheless, any kind-hearted man is tempted to favour an alleviation of the death penalty, but it should not be forgotten that we are here as the representatives of society and that we must reach a decision based on serious reasons and not only on pretence or feelings.

Mr. Speaker, it seems to me that the principle of Bill C-92 is hard to detect if you look at it as a whole. In fact there are several principles involved in this bill. First of all, the amendment to section 202 of the Criminal Code by the addition of section 202A to classify murder, as defined in article 202, in two classes, that is capital murder and non-capital murder, and to classify the sentence in two categories by amending section 206: death penalty for capital murder and life imprisonment for non-capital murder.

Another principle of this bill is the amendment to section 206 of the Criminal Code which is replaced by a new section 206 exempting from capital punishment children under the age of 18 who might have committed a capital murder but under which they would be automatically sentenced to life imprisonment.

The third principle I note in this bill, Mr. Speaker, is the one whereby life imprisonment is considered a minimum penalty.

The fourth principle, it seems to me, is the necessity of having a specific charge of capital murder in order to apply capital punishment.

The fifth principle seems to be, an automatic plea of not guilty in the case of a crime involving capital punishment.

The sixth principle seems to me the impossibility of indicting an accused for non-capital murder where he has already been acquitted on a charge of capital murder.

As for the seventh principle, it involves the enlargement of the means of appeal, that is to say the appeal becomes automatic in the case of a capital murder, both before a superior court and a court of appeal, be it on law or fact, or mixed law and fact.

The eighth principle deals with the gratuitousness of the documents essential to the appeal both to the court of appeal and to the supreme court.

The ninth principle, is the suspension of execution made easier because mercy is always possible in the case of a capital murder.

The tenth principle deals with the jury recommendation. This recommendation by the jury in favour of clemency, that is the provision on that subject, does not seem very clear. It is not specified if unanimity is required, or what majority must be in favour of clemency for the judge to decide to grant clemency to the accused of capital or non-capital murder. In my opinion there is a contradiction with regard to the principle providing for a "minimum" life sentence in the case of capital murder.

Finally, another principle of this bill is the power retained by the governor in council to commute the death sentence to life imprisonment. Here again, it seems to me, that this principle tends to destroy the principle I termed as No. 3 with regard to the minimum penalty.

Mr. Speaker, there is still a great deal to be said about every one of those principles.

I could wait until the end of my remarks to consider the first principle of this bill.

Allow me to deal right now with the principle I indicated as being the second with regard to the amendment to section 206 intended to exempt from capital punishment children under 18 years of age who have committed a capital murder. I feel that capital punishment could have been retained for those young people in cases of capital murder. Be that as it may the age should inevitably be reduced to 14 years for non-capital and capital murder alike. The reason for this is obvious. For, in our days of serious delinquency, one wonders whether it would not become dangerous to exempt young people of less than 18 years from the severity of capital punishment, when we consider the gangs of young hoodlums who would not hesitate to commit a murder and who would not take the trouble of deliberating to decide whether the act they are about to commit is a capital or a non-capital murder.

Regarding the requirement of a specific capital murder charge for capital punishment, in my opinion it makes very much sense to have these provisions in the bill, for, in the main, the bill implies a distinction as between capital and non-capital murder.

I must congratulate the minister for this amendment to the Criminal Code which makes it mandatory to enter a plea of not guilty when the offence is one punishable by death. And also for rendering impossible an indictment for capital murder when an accused has already been acquitted on a charge of non-capital murder. However, Mr. Speaker, there is something inconsistent here.

It is said that the bill will abolish the death penalty in the case of non-capital murders. In doing so, it is depriving society of an essential protection, since it is preventing it from indicting for non-capital murder a person already acquitted on a charge of capital murder. There is some danger in the fact that, once a criminal is acquitted because proof of capital murder was lacking, society will be unable to lay a new charge against him.

I congratulate the government on the decision to enlarge the possibilities of appeal. That change was long overdue. Whether we are for or against the bill should not prevent us from congratulating the government for having so enlarged the possibilities of appeal by making them automatic in the case of capital murder.

I also want to congratulate the government for having laid the principle of gratuitousness with regard to the documents necessary for appeal, whether it is before the court of appeal or the supreme court. This created a great problem, I am told, for the innocent who lacked the means to ensure their defence. A person had to disburse so much money that there was a risk of the innocent being deprived of appeal.

I also congratulate the government for having extended the possibilities of suspending the execution. As far as recommending mercy is concerned, there is a possibility of conflict, in the case of capital murder with principle No. 3 according to which life imprisonment becomes a minimum punishment.

Of course, Mr. Speaker, some will ask: What is your position going to be? Let me say first of all that I still have fresh in my memory the speaking marathon we had in this house on the capital punishment bill introduced last year by the hon. member for York-Scarborough (Mr. McGee). Some members of the House of Commons were definitely set against abolishing capital punishment. Their reasons were quite acceptable. They referred to public order and I do not have to go over that in extenso. I will merely point out the reasons I have to oppose abolition of the death penalty.

First of all, common weal has precedence over private weal. In my opinion abolitionnists are unable to differentiate the individual unjustly accused from the real culprit, when they cry for abolition of capital punishment. In short, lest an innocent be exposed to the death penalty, we should expose the life of many citizens, because the real criminal would avoid the death penalty. Society will be more adequately protected if capital punishment remains in the Criminal Code.

Allow me now, Mr. Chairman, to quote an essay published in the "Revue internationale de criminologie et de police technique", published in Geneva. I refer to page 68 of special issue No. 52, where I read:

> First of all, let us lend our ear to an examining magistrate, namely Mr. Justice Grivel, of Lausanne, who was appointed to investigate the double crime of Maracon, about which the clues lead nowhere and whose author has not yet been punished.

"Should you find the culprit, asked the investigator, would you not feel that he deserves the ultimate penalty". "As far as I am concerned", begins the magistrate, "I think the crime of Maracon appears to be a crime of the gratuitous type. No human motive can be found to excuse it. If it had been committed by a sadistic or otherwise mentally perturbed individual, there would necessarily be extenuating circumstances inasmuch as the culprit would have been irresponsible". As for the death penalty itself he added: "It should be part of the law as a menace. It may cause some criminals to think twice before committing murder".

Mr. Speaker, I have heard some people state that capital punishment should be abolished for humane reasons. I am wondering whether any of them would have been able to reply to a statement such as the one I quoted of Justice Grivel. The safety of society must be the paramount consideration of the legislator when he has to decide upon the position he must take when faced with legislation such as that before us at this time.

The primary task of public authority is to enable an honest citizen to live in freedom, peace and security. In these days of organized banditry and severe juvenile delinquency, we should think twice before abolishing the state's most efficient weapon against murderers. We must protect society against criminals of the bottle and criminals of the automobile. We must also protect society against murder committed in conjunction with rape, violence and theft. We must prevent crime with accompanying violence in view of the danger of murder. We must ensure that future generations will not lose respect for other people's lives, and we must retain the deterrent effect of capital punishment.

I mentioned a moment ago that one of the principles of the bill was to divide murder into two categories, capital murder and non-capital murder. After looking at all the reasons in support of this bill, I have been unable to avoid the conclusion that the bill as drafted will indirectly lead to the total abolition of capital punishment. Despite all the precautions which have been taken, it still leads to the abolition of the death penalty.

Now I am opposed for the time being to the abolition of capital punishment, whether directly or indirectly. I just gave various reasons for which capital punishment must be maintained.

Why am I in favour of a complete retention of capital punishment at this time? Not because I refuse to see that there are some murders which are not premeditated, but because, when weighing the advantages and disadvantages of this legislation with regard to public order, I consider that we are going too fast.

To sum it up, I have not been convinced that Bill C-92 in its present form, contains any principle affecting the retention of capital punishment which my conscience can accept.

I humbly maintain that the terms of the bill would directly lead, in the very near future, to the effective, pure and simple abolition of the death penalty, which I cannot accept for the various reasons given by many fellow members during the discussion of the bill introduced by the hon. member for York-Scarborough in the 1960 session and which it would be too long to reiterate at this time.

Our civilization has not yet attained the degree of maturity required for abolishing capital punishment.

The United Kingdom and other countries may perhaps abolish capital punishment. The United Kingdom, being an island and therefore sheltered against American gangsterism, the mafia and other criminal organizations where murder is the current practice, may perhaps abolish capital punishment. We have, perhaps, in England, the most disciplined people in the world, but we certainly may not say the same of the American people. It is unfortunate, but we have to admit it.

In conclusion, Mr. Speaker, may I quote an excerpt from an article by the French author, François Mauriac, which was published on page 77, in the *Petit Journal* of May 7, 1961. I am sorry, Mr. Speaker, not to be able to quote the text from its original source, but I shall just read what I find in that paper clipping. The article was published under the following title:

The views of François Mauriac... Abolish capital punishment?—First, let us be worthy of it.

And the author adds:

Abolish capital punishment? To what end? Capital punishment, if it were eliminated from the texts, would still prevail in our way of life. Even if it were erased from every legislation where it still exists, innocent people would nevertheless be legally slaughtered, human beings would die everywhere in the world from want and exhaustion. Martial law and special powers would, anyhow, restore capital punishment, extending it to innocent people, whenever politicians would think it fit.

The issue of capital punishment is only brought up again to give one an illusion of still belonging to a community worthy of dealing with and settling this issue, and in order to escape the unbearable evidence that every notion of justice has been obscured within us from year to year, and more particularly during the last two decades. I am afraid that discussing capital punishment will dispense our highminded people from dealing with more urgent problems. This is pretending to believe that we belong to a world where the life of a human being, whatever the colour of his skin, remains sacred.

Abolishing capital punishment should be the ultimate aim of a law which no military or civilian police force would ever have the power to break. We know how things are today. A respect for the life of even those who are guilty of the greatest crimes—what sophistication for the sort of people we have become. How very fastidious. We could only attain that end after a successful effort of regeneration which we did not even start. Before abolishing capital punishment, let us therefore wait until we are worthy of it—

(Text):

Mr. N. L. Spencer (Essex West): As one of those who did not have the opportunity of participating in the previous debates on the subject matter of this bill, and as one who is not an abolitionist and yet proposes to support this bill, I feel I should clarify my position. I will be brief because I do not want to belabour the arguments which have been previously advanced.

I listened with intense interest to the statement of the Minister of Justice (Mr. Fulton) when he introduced the bill. I congratulate him upon the objective and lucid manner in which he dealt with this delicate and highly controversial subject of capital punishment. This legislation has been referred to by previous speakers as a first step or an advance forward. If by those expressions they had in mind the ultimate abolition of capital punishment as the penalty for murder, I feel they are unrealistic and overly optimistic. I believe that the overwhelming majority of the people of this country are now, and will remain, opposed to any such result. I hope the enactment of this legislation will not be construed as a weakening of opposition or a manifestation of a changing public opinion.

The salient feature of this bill, in my opinion, is the retention of capital punishment. It is retained as the penalty for deliberate and premeditated murder. The deterrent effect of this prescribed punishment for such crimes remains unfettered. That this punishment is the greatest deterrent, I believe, admits of no denial. Attempts have been made by resort to statistics to establish otherwise. As has been said so properly by the Minister of Justice, statistics have no convincing value. There are no statistics available of murders not committed or deterred by the severity and certainty of the death penalty. To argue that life imprisonment is an equal deterrent presupposes that the penalties of death and life imprisonment are of equal severity. This is an argument I cannot accept. I believe we do not need to do more than ask ourselves—God forbid that we should ever be placed in such a position—which penalty we would prefer.

If, as I believe, the death penalty is the more severe penalty, it must follow that it is the greater deterrent. To argue otherwise goes counter to all our beliefs over the years and to actual experience. No one, I think, would attempt to argue that the mandatory imprisonment penalty for drunk driving has not been a greater deterrent than the lesser penalty of a fine.

This bill also provides the penalty of life imprisonment in certain circumstances. What are the circumstances? There must be an absence of deliberation or planning. It is a killing that is not deliberate in the sense of being within the contemplation of the accused. It is the type of murder which would not be prevented or deterred by the severity of the penalty. It is perpetrated without regard to the consequences and, really, without any conscious appreciation of culpability. It is the type of murder for which pleas of clemency are made and frequently granted.

This kind of murder, in this bill called "non-capital murder", warrants a lesser penalty. There is no erosion of the deterrent effect of the death penalty, and for that reason and that reason alone, I approve of the substitution of the penalty of life imprisonment for such cases. I am, therefore, in good conscience and without compromising my convictions, able to support this bill.

Mr. R. J. McCleave (Halifax): My intervention will be brief, Mr. Speaker. As one who has taken part in capital punishment debates on previous occasions and who has stood against the type of bill proposed by the hon. member for York-Scarborough (Mr. McGee), I should like to have a chance to explain my vote.

I believe, sir, that when one approaches a matter of such basic morality as the question of whether or not a human being should be hanged, one really comes to a conclusion from a position of deep-rooted prejudice and then glosses that over with an intellectual process. So I was interested in my own personal reaction in reading the bill of the Minister of Justice (Mr. Fulton), to see whether or not I agreed with it right off the bat. I must say that I wholeheartedly support the bill.

By the process of dichotomy that he used to separate into distinct categories the crime where premeditation takes place over a long time—for example, most of the well-known poisoning cases certainly fit into that category —as opposed to the murder which arises in a man's heart and is accomplished on the spur of the moment, I think he has accomplished a most valuable feat of scholarship. I also think he has done much to resolve the conflict that existed in this house last year when we had a two-day debate on this subject and found ourselves to be either retentionists or abolitionists but perhaps most of us were unhappy as to the problems which were raised

and which could not be solved by being in either particular position. I therefore salute the Minister of Justice for his bill and also for his speech which I daresay will be one that will be looked at for a long time and will give this particular parliament a great stamp of authority.

The minister has pointed out that it is almost impossible to prove a negative and to ascertain how many people are deterred from crime. That thought alone should be echoed and re-echoed whenever we try to bring to such a fundamental problem as this one the mere statistical approach.

Finally, may I say this. On another, occasion in justifying my own attitude towards the retention of the death penalty, I said that severe crimes deserve severe punishment. This thought was put much more eloquently by the hon. member for Dufferin-Simcoe (Mr. Rowe) speaking in his debate last night. I endorse most of his remarks, although not all of them. It seems to me that the right to live at liberty in society is not one which exists without limits. It seeems to me that we enjoy the right to live under licence from society to ensure that we conduct ourselves properly. For these reasons I am in accord with the bill and endorse it most wholeheartedly.

Mr. G. W. Montgomery (Victoria-Carleton): Mr. Speaker, I do not intend to take much of the time of the house but I want to say this. I was one of those who expressed themselves strongly in the debate a year ago against the abolition of the death penalty, and if I were speaking in the same debate I would still express myself strongly in that regard. I have no difficulty whatever in supporting this bill because it retains the principle in which I believe and for which I argued a year ago. For deliberate and premeditated murder there still is the death sentence.

In some of the speeches that were made in this house yesterday, or one in particular, it was stated that we might be whipped into line and that it would be interesting to note how some members were going to vote if a vote was called. Just for the purpose of the record I wish to state that I have come to my own conclusions and that I am very happy with this bill. In my opinion, the minister in particular in his presentation of this bill and the government in the solution they have brought forward in it are going to make many people happy.

No subject before parliament has brought me more inquiries in the last two years than has the particular subject of capital punishment. I know that no one wants to go around hanging large numbers of people or trying large numbers of people for deliberate murder, if the circumstances indicate otherwise. By dividing the crime into categories, as has been done in this bill, the minister is going to make many people feel that a great step has been taken for those who feel that abolition is the right thing and yet it is not taking away anything from those of us who believe that the time has not yet come to do away with capital punishment for the worst crime against humanity.

Mr. Deschatelets: Mr. Speaker, I wonder whether I might have leave of the house to ask a question of the minister?

Some hon. Members: No.

Mr. Deschatelets: Before the minister closes the debate I should like to ask him a question.

Mr. Fulton: May I make this suggestion, Mr. Speaker? If it is the will of the house that I close the debate now, I will undertake to give the hon. member the floor for the purpose of asking me a question before I conclude my speech.

Some hon. Members: Agreed.

Mr. Deputy Speaker: I must inform the house that if the minister speaks he will close the debate.

Hon. E. D. Fulton (Minister of Justice): Mr. Speaker, in making some remarks to conclude this debate I would be less than human if I did not express to all hon. members in the house my deep appreciation and gratitude for the kind remarks they have made. I think they applied not so much with regard to the speech I made, but particularly with regard to the bill which has been produced as a result of a good deal of thought and work on the part of the government. I appreciate those remarks and I can assure my hon. friends that I take them not personally but on behalf of the government. I am gratified indeed that it seems possible to say that we have produced a bill which represents not only what the House of Commons wishes to see as a solution of the problem but, I believe, a measure which the house accepts as being soundly based on legal principle and as carrying into effect the moral standards which this country desires to see in this branch of its criminal law.

The bill appears to have received very general, perhaps almost unanimous support in principle. It must be recognized, of course, that the reasons for such support are not the same on the part of each member who has spoken. Those members who favour outright abolition of the death penalty apparently welcome the bill not only for the restriction that it actually places on the imposition of the death penalty but also because they regard it as a step toward abolition. The vast majority, however, appear to accept and approve

the bill for what it was intended to be and what it is. It is not an abolitionist measure or a first step toward abolition but a bill for the purpose of bringing the present position with regard to capital punishment into line with present day ideas of crime and punishment and for the purpose of excluding from the imposition of the death penalty those classes of cases which, generally speaking, are not characterized by deliberations and planning and where it is felt that the imposition or execution of the death penalty ought not to be provided.

I think it must be emphasized for the information of hon. members such as the hon. member for Chambly-Rouville that this bill does not abolish the death penalty. Nothing could be clearer than that. What the bill does is to divide murder into two categories, namely capital murder and non-capital murder, and to provide that for capital murder as defined the death penalty will be retained and if a person is convicted of that type of murder its imposition by the judge will be automatic.

There have been a number of criticisms of the bill on points which I might describe as points of secondary principle. I think I should deal with some of these points now. The hon. member for Maisonneuve-Rosemont (Mr. Deschatelets) expressed the view, as I understood him, that the bill was juridically sound in the approach that it took, primarily with respect to the division of murder into two types, but was practically unsound.

In reply to that I can only say that a bill which is juridically sound should also, surely, be one which is sound in practice if we repose in the institutions which may carry it out, that is the prosecution agencies and the courts, the degree of confidence to which they are eminently entitled. When I speak of the institutions which must carry it out I refer, of course, to the crown attorneys, defence attorneys, judges and juries in whom, as was so eloquently said by the hon. member for Parkdale (Mr. Maloney) last evening, we have reason to repose the greatest confidence.

I know that juries have in the past had very great difficulties, and they may have some difficulties in future with this bill, but it is my firm belief that they will be vastly assisted by this division of murder into capital and non-capital categories. I am certain that it will be by no means impossible for a jury, when confronted with the question which will confront them under the bill, "Is it your view, gentlemen, that this was a planned and deliberate murder?", to say, "Yes, it was a planned and deliberate murder" and to convict accordingly.

I have heard no reason suggested yet as to why it would be impossible for a jury to be able to come to such a decision. But I think it is equally possible and equally appropriate that there will be other cases where when the jury ask themselves, "was this a planned and deliberate murder?", they will come to the conclusion, "No, it was not". In that case they will have no difficulty because the law is perfectly clear: They will have no difficulty in arriving at a verdict of not guilty of capital murder but guilty of non-capital murder.

The hon. member for Maisonneuve-Rosemont also appeared to see a contradiction of principle between the classification of murder into capital and non-capital on the one hand, and the question to be put to the jury as to whether they wished to make a recommendation for or against clemency on the other hand.

As I understood the hon. member, his point was that since cases of capital murder would be cases importing deliberation in one sense or another and were the cases we had singled out as justifying the death penalty, it was inconsistent in such cases to ask the jury whether they wished to make a recommendation for or against clemency.

Another hon. member expressed the same point—I think it was the hon. member for Calgary South (Mr. Smith)—in a different way; that was, that in putting such a question to the jury they would in effect be put on the spot. I do not think there is too much validity in either point of view.

As I attempted to indicate in my remarks in introducing the bill, it is a fact that however much you may try when you are writing law which must after all be a code, it is difficult, if not impossible, to take into account in the words of that code all the thousand and one circumstances and differences that make up human motivation.

Since, then, the code must be perfectly clear, as to principle it is perfectly appropriate that it should give some discretion in the place where discretion can properly be given. It is therefore perfectly appropriate to ask the jury to render their verdict on the simple question of whether or not this was a planned and deliberate murder as defined, and having done that and if they say it was, then to ask them in effect, "Gentlemen, is there in your view anything in the character and background of the accused which indicates the degree to which he might be held responsible or able to control and answer for his own acts and which, in your view, would lead you to recommend in favour of mercy?" That is all the jury

are being asked to do; they are only being asked whether they have a recommendation to make.

It seems to me clear that this is not something which imposes too great a burden, or indeed any burden at all, upon the jury because it does not ask them to make the same decision twice. It does not ask them to decide whether or not the individual should suffer the death penalty. They are asked first to render a verdict on the law and the evidence, and they do so. Then they are asked whether they, the jury of the accused's peers, who tried him, who heard the evidence, who heard the defence and who understood all the background of the case, as human beings have any recommendation to make. I think that, quite contrary to being an improper thing to ask a jury, it is a very proper question to ask.

While all these views which have been expressed in criticism or reservation are, of course, entitled to respect, I do not believe they represent a defect in the bill. Indeed I might on this very point remind hon. members that the Gowers commission, which is regarded as the finest piece of research that has been done in this field, itself actually recommended that the jury be asked to pass on the sentence and that after a verdict of guilty it should be the jury that decides whether the accused should be sentenced to death or whether a lesser sentence should be imposed.

That, I personally believe, would be to impose an improper task upon the jury. We have rejected that course and have enacted a law which in my view asks the jury to do something which they would probably be glad to do, and to do something which will be of the greatest assistance in the ultimate decision as to whether or not that particular sentence, in that particular case, under those particular circumstances, should be carried out.

Another suggestion has been made, that it is wrong that the crown should have to decide whether or not to lay a charge of capital murder or non-capital murder, and that in all cases the crown should be required to lay a charge of capital murder and then we should let the jury, if the evidence so warranted, bring in a verdict on the lesser offence of non-capital murder.

I do not believe it would be wise to tie the hands of attorneys general and their prosecuting officers in this way, because there must be a certain onus upon the crown to decide what charge to lay. I do not think it is enough just to say, "Let every case be charged as capital murder and then let the jury decide whether or not capital murder is proven".

I do think it appropriate to impose upon the attorneys general and their crown prosecutors the obligation to decide whether the elements which the law now says must be there in order to constitute capital murder are in fact there.

Therefore it is a perfectly proper duty to impose upon them to decide whether or not to charge capital murder, and if they feel the elements are not there, then of course they must charge non-capital murder.

There were a number of other points made of an individual nature which I am quite certain will again be brought forward in committee. I should like to deal with just one other point which seemed to be of concern to a number of hon. members who took part in the debate. I refer to the point as to what will be the effect of a sentence of life imprisonment, which will be the sentence in the event of a verdict of guilty of non-capital murder.

In my view there should be no differentiation between the person who is serving a sentence of life imprisonment, as will be the case in the future, for non-capital murder and other prisoners who are serving sentences of life imprisonment. We have recently set up in this country with the unanimous approval of parliament a parole system. We have appointed a national parole board to administer that system, and it is within the discretion of that board to decide at any time and on every occasion whether or not a person undergoing sentence in our penitentiaries is a fit person to be granted parole.

It is necessary to bear in mind that an inmate out on parole has not received a remission of his sentence. He is on parole for the balance of his sentence; he is merely serving that balance outside the institution. While on parole he is subject to the supervision and the surveillance of the parole board. It is not as though he were suddenly cast adrift free of all supervision by authority.

Second, it is essential to bear in mind that he would not be granted parole until the parole board had come to the conclusion after a thorough and careful study of all the aspects of the case, whether the person concerned was a fit person to be placed on parole. In reaching such a decision the parole board will have available all details as to the man's background, reports of his behaviour while in the institution and reports of psychiatrists and others as to his general mental attitude. It is only after examining all those background criteria that the board will come to a decision.

Finally, I say that it would in my view be an intolerable and impossible situation if we were to segregate into two groups in our penal institution, on the one hand those with

a chance of being paroled and going out, and on the other those who would literally be caged up there for the remainder of their natural lives like animals who had been permanently deprived of liberty. I do not think the house would want to see this, and even if the house did want to see it I do not believe such a situation would make it possible to maintain any sort of institution which a Christian and civilized society would regard as desirable.

I assure hon. members that there have been many cases in the past where persons condemned to life imprisonment have been released on parole or on ticket of leave as it used to be called. This is not something new which is going to develop suddenly as a result of the bill now before the house. At the same time there have been few cases, if any, where persons who have been sentenced to life imprisonment and subsequently paroled or released on ticket of leave have proven to be a menace to society. So on that point I can give the most sincere assurance that anyone in my position can give to this house, and, through the house, to the country, that there is nothing dangerous in the fact that those who will be sentenced to life imprisonment in the future come under the authority of the national parole board.

I also remind hon. members of the provision of one of the clauses in the bill, clause 15, which I shall not read at this stage but which no doubt we shall be discussing later in detail when we come to the committee stage. This clause, of course, provides that in any particular case the governor in council when commutation of a sentence of death is ordered may at the same time provide that the particular individual dealt with shall not be paroled at any time without the prior approval of the governor in council. It is possible there may be cases where it may be felt that the mental condition of the individual—perhaps the very condition which justifies the commutation—also brings about a situation where the greatest care must be exercised before allowing him to be at large again. It is this very case which we had in mind when we put that provision in the bill so that the governor in council could, in an appropriate case, ensure that such a person could not be paroled or released unless the governor in council, responsible to parliament and the country, had the opportunity to review the case before any release was authorized.

In conclusion, may I return to what I said at the beginning of these remarks, and express once again my appreciation of the response which the house has shown to this bill. As I have said, I believe the reception given it reflects the fact that the bill accords with the moral standards which our Canadian society desires to see incorporated into our law in this difficult field of murder and the penalty for murder.

I think, also, that it is only appropriate that the country should know the extent to which this bill has, or has not, the approval of the House of Commons. Some hon. members who have spoken have indicated that they are opposed to the measure. I think in legislation of this kind it would not be sufficient if we were merely to leave it to be carried on a voice vote. I think the country would desire to know, and is entitled to know, the extent to which its elected representatives are in support of this measure and for that reason, Mr. Speaker, because I think, also, it is desirable we should have recorded the degree of unanimity with which the people's elected representatives accept and support this measure, and because it is my belief that there will be virtually complete, if not complete, unanimity, I would ask that you call for the yeas and nays on this question.

Mr. Deschatelets: I think the minister was agreeable to the suggestion that I might put a question to him at this stage, and I wish to thank him. Many hon. members who have spoken in this debate have stated that their minds were not yet made up with regard to its provisions. My question is this: because of the nature and the importance of this bill does the minister not think it would be advisable to refer it to a special committee of the house after second reading in order to give it a more thorough study? Notwithstanding the discussion which took place this morning concerning committee work I do not hesitate to make the suggestion because of the special nature of the bill before us. The minister will remember the outstanding work done last year—

Mr. Speaker: I think the hon. member knows he has not the opportunity to speak again. He seems to have made his question clear and I suggest he allow it to be answered.

Mr. Deschatelets: That is my first request, Mr. Speaker. I have another. Should the minister not agree to refer this bill to a special committee, I would ask him to postpone the study of it in committee of the house until another date in order to permit all hon. members to make up their minds, to read the speeches which have been made and to consider the various suggestions which have been put forward from all corners of the house. I think it would be unwise to rush this bill through right now.

Some hon. Members: Order.

Mr. Deschatelets: Mr. Speaker, I believe I am making a sensible suggestion. I hope the minister will give it the consideration it deserves.

Mr. Fulton: Mr. Speaker, as to the first suggestion that the bill should be referred to a special committee, I am not going to indulge the temptation which I must confess is very real and remind the hon. member in detail of the discussion which took place this morning.

Mr. Martin (Essex East): A different situation altogether.

Mr. Fulton: I will simply say this—

Mr. Martin (Essex East): An unworthy remark.

Mr. Fulton: The hon. member for Essex East is always making unworthy remarks; I do not take any notice of this interruption.

Mr. Martin (Essex East): On a matter as important as this we should not be playing politics.

Mr. Fulton: There is no doubt that a bill of this importance deserves consideration in the widest possible forum, and the widest possible committee forum we can place it in is the committee of the whole house. I am not inclined to think that with respect to a bill of this kind a detailed study by particular members, as my hon. friend has suggested to me, would be appropriate. I think the committee of the whole house is the appropriate place to have a detailed clause by clause consideration of this bill.

With regard to the second suggestion that we might defer the consideration of the bill in committee of the whole, while I appreciate the remarks the hon. member has made as to the desirability of studying the speeches made here, I do remind him that the bill itself has been in the hands of hon. members for over a week now.

An hon. Member: Not their speeches.

Mr. Fulton: The subject itself has been under intensive study and consideration by members of this house for over a year, ever since the bill of the hon. member for York-Scarborough (Mr. McGee) came up for debate in February of last year.

I know that hon. members are under considerable pressure. Members of parliament are hard-working and conscientious persons; but I doubt very much whether their consideration of these matters would be more thorough if we waited for a day, for 24 hours or for 48 hours than their consideration has been up to the present time. I sense rather, on the other hand, a desire on the part of hon. members in all quarters of the house to get on with the detailed consideration of the bill as early as possible in order that this excellent measure may become law at the earliest possible moment.

Mr. Muir (Lisgar): May I ask a question for clarification just before the motion is put? Could the minister give us some indication of how long a man sentenced to life imprisonment for non-capital murder would be expected to serve before he would be eligible to apply to the parole board for parole?

Mr. Speaker: I suggest the hon. member ask that question in committee. There will be ample opportunity when the relevant clause is under consideration to ask questions on details.

The house divided on the motion (Mr. Fulton) which was agreed to on the following division:

YEAS

Messrs:

Allard
Allmark
Anderson
Asselin
Balcer
Baldwin
Barrington
Batten
Bell (Carleton)
Bell (Saint John-Albert)
Benidickson
Best
Bigg
Bissonnette
Broome
Browne (St. John's West)
Browne (Vancouver-Kingsway)
Bruchesi
Brunsden
Campbell (Lambton-Kent)
Campbell (Stormont)
Campeau
Cardiff
Casselman, Mrs.
Charlton
Chown
Churchill
Clancy
Comtois
Cooper
Creaghan
Crestohl
Crouse
Danforth
Deschambault
Diefenbaker
Dinsdale
Doucett
Drouin
Drysdale
Dubois
English
Fairclough, Mrs.
Fairfield
Fane
Fisher
Fleming (Eglinton)
Fleming (Okanagan-Revelstoke)
Forbes
Fortin
Fulton
Garland
Godin
Granger
Grills
Gundlock
Hales
Hamilton (Qu'Appelle)
Hamilton (York West)
Hellyer
Henderson
Herridge
Horner (Acadia)
Howard
Howe
Keays
Knowles
Korchinski
Kucherepa
Lafreniere
Lahaye
LaMarsh, Miss
Lambert
Latour
Lennard
Letourneau
MacInnis
MacLellan
Macnaughton
MacRae
McBain
McCleave
McFarlane
McGee
McMillan
McPhillips
Martin (Essex East)
Martin (Timmins)
Martineau
Martini
Monteith (Perth)
Monteith (Verdun)
Montgomery
More
Morris

Morton	Skoreyko
Muir (Lisgar)	Slogan
Murphy	Small
Nesbitt	Smith (Calgary South)
Nielsen	Smith (Lincoln)
Nugent	Smith (Simcoe North)
O'Leary	Southam
Pallett	Speakman
Parizeau	Spencer
Pascoe	Starr
Paul	Stearns
Peters	Stefanson
Pickersgill	Thompson
Pratt	Thrasher
Rapp	Tucker
Regnier	Villeneuve
Ricard	Vivian
Richard (Kamouraska)	Webb
Rogers	Webster
Rompre	Weichel
Rowe	White
Sevigny	Woolliams—139.

NAYS

Messrs:

Boulanger	Habel
Bourget	Johnson
Bourque	Leduc
Cardin	Loiselle
Caron	Meunier
Carter	Mitchell
Clermont	Racine
Denis	Ratelle
Deschatelets	Richard (Ottawa East)
Dumas	Tardif—21.
Eudes	

Bill read the second time, and the house went into committee thereon, Mr. Flynn in the chair.

On clause 1—*Classification of murder.*

Mr. Campbell (Stormont): Mr. Chairman, I rise today to say a very few words because I have spoken at length on this matter on previous occasions. This is one occasion on which I can honestly say that I am completely and unreservedly in favour of a piece of legislation. I believe that this bill, as a compromise, represents not the lowest common denominator but the highest common factor. This is the sort of legislation, frankly, I should like to have thought of myself.

I believe that this bill is as just and reasonable as erring human beings are capable of achieving. I believe that mercy and humanitarianism are taken about as far as possible by this bill without being subversive of law and order, unless human nature is going to change which is highly unlikely. I believe this bill deserves to be, and undoubtedly will be, a model for similar legislation in other countries.

Finally, I believe that 50 years hence, long after most of us have disappeared not only from this house but from this life, this bill will reflect credit on this government and on its Minister of Justice.

[Mr. Speaker.]

(Translation):

Mr. Deschatelets: Mr. Chairman, a moment ago, I made two suggestions to the Minister of Justice. My second suggestion was to postpone until another date the study we are now making of the bill. My request was based on reasons which seemed to me very important, since several members have pointed out in the course of their remarks that they had not yet formed their opinion on the merits of the bill.

I cannot see why the government wants to rush this bill through. It is a most important measure, and by implication, touches upon fundamental problems in our society.

I have suggested that its consideration in committee be deferred to another sitting. I think my suggestion at the time was welcomed by the majority of the members of this house.

The house is now in committee of the whole, and is dealing with section 1, which is perhaps the most important. I do not know whether the government thinks this measure cannot be improved. There is no doubt that if a few more days were allowed, several members could consider all the suggestions that have been put forward and could come back and make important recommendations.

This bill is being put forward on the initiative of the government, and no doubt the government accepts responsibility for; but if it is passed, it will become the law of the land. We want to help make it as practical as possible, and it is with that purpose in mind that I have suggested that its consideration in committee be deferred to another day. I renew my plea to the minister.

I cannot see why an attempt is being made to hurry this bill through. There is no urgency involved. Many sentences have been commuted over the past three years, and a few days more could not make that much difference. On the contrary, it would enable us to study the bill and also to consult authorities and go over some of the speeches which have been made.

I must say to the minister that I was quite disappointed and surprised at the astonishing attitude he adopted a moment ago, in refusing to give us one day or a few days before the bill is considered by the committee of the whole.

I hope section 1 will not be passed before six o'clock; I know this would give satisfaction to several members on the other side of the house, who would also like to see some improvements made to various aspects of the bill.

I therefore ask the minister to give serious thought to my request and to allow us a few days more to make a thorough study of such an important bill.

In fact, once the bill is passed by the house, perhaps the matter will not come up again for another generation. In any event, we will not be here to deal with it at that time.

Therefore, I would ask the minister to allow us at least that much more time, which I consider necessary if we want to improve this bill. We need more time to consider this important measure, and I hope the minister will grant my request, which follows the one I submitted a moment ago.

(Text):

Mr. Broome: Mr. Chairman, I have not taken part in this debate up until now, although I took part in the debate on the private bill of the hon. member for York-Scarborough. I should like to say to the hon. member for Maisonneuve-Rosemont that we have had many days' debate on this whole question, but members have searched their consciences and that, having decided how they feel about this measure, they know how they will vote. No one could read the speech, for instance, of the hon. member for Parkdale without seeing the side of those who wanted revision of the law as it is. This was the side of reason, logic and common sense. On the other side of the picture we had strictly emotional appeals which would not stand up under investigation or under the experience which has been gained in other countries which have taken steps such as this one. I had on the order paper at the beginning of this session a resolution calling upon the government to take the lead in bringing in measures to amend the archaic and Mosaic type of legislation we had on the statute books before this measure was introduced.

Although I am one of those who supported the hon. member for York-Scarborough, I am one of those who believes as does the hon. member for Parkdale. I am pleased with this measure. I believe it is a real halfway house. I believe it is a long step in the right direction. In my opinion, this bill is a credit to the minister, to the staff who had the job of developing this legislation and to the government. I am wholeheartedly in support of it.

Mr. Howard: At this stage I have only a few brief and general remarks to make following those of the hon. member for Maisonneuve-Rosemont and the hon. member for Vancouver South, and they are along somewhat the same lines. As to the major principle contained in the bill, I think each member has undoubtedly made up his mind and perhaps did so not at the time this particular bill was under debate but during previous sessions when we discussed or debated bills presented by the hon. member for York-Scarborough.

However, while one may have come to a certain conclusion with respect to the essence of the bill itself, I still think that a sufficiently large number of points of view were expressed during second reading of this bill to require some consideration and some reflection on the part of hon. members with regard to whether or not these different ideas might be contained within detailed parts of the bill itself. I am thinking of such matters as pleadings in court, functions in court, and whether or not we should alter somewhat the definitions of what is capital murder or what is non-capital murder. These are things which perhaps require some degree of cogitation on the part of members. It is for this reason that I would support the expression of view of the hon. member for Maisonneuve-Rosemont to the extent that we have possibly a day or two in which to consider and to reflect upon all of these various ideas that have been suggested, some of them differing greatly.

I know that each member has approached this problem from the point of view of his conscience and not from the point of view of whether or not the legislation was introduced by a particular cabinet minister and the natural things that follow from supporting government bills. However, I think this conscience of members should be given an opportunity, over an extra day or two, to work a little bit more. Perhaps we may then be able to come up with suggestions in the committee of the whole which the minister said is the place in which we can in the broadest possible manner assess the feeling of the public. In committee of the whole we may be able to come up with suggestions and ideas with regard to particular methods rather than suggesting those amendments on the spur of the moment. I have one amendment particularly that I should like to propose to a subsequent clause. It is something which I would rather not introduce right on the spur of the moment, as it were. I would rather think about it for a while, talk with other members about it and get their ideas on it.

I also think there is a tendency, particularly on matters such as this one, to legislate with long intervals of time elapsing between the various changes that take place in the legislation. I think it will be some time again before parliament, in a formal way, gets down to the question of considering the statute dealing with capital punishment or capital or non-capital murder, as it is referred to in this bill; it might be another ten

years or another 15 years. It is difficult to say when we will again get to that point of time in social thought when it is considered necessary to make some other amendments. I think we want to be as sure as we possibly can now, while we are at the task, that we are legislating in a manner which each of us really thinks is the best possible way to legislate on this particular subject.

In general I am in support of the bill and the subject matters contained therein. I have expressed these points of view on other occasions, especially when dealing with the bill introduced during the previous session by the hon. member for York-Scarborough.

I support it, not because it represents what some people have called a compromise between abolitionists and retentionists—because I do not think this is a subject matter we can approach from the point of view of compromise, especially if our conscience is involved—but because I think the bill recognizes, and certainly the reflection of the government is recognition of this fact, that capital punishment is no greater deterrent to murder than is some other form of punishment, notably, in this instance, life imprisonment.

I think this bill recognizes that capital punishment in some instances is not any greater deterrent to certain crimes being committed than is the threat of life imprisonment. I maintain that this is substantially the case with respect to those types of murder which are classified as planned and premeditated where a person plans a heinous crime. One such case that comes to mind is where an individual planted a bomb on an airplane in order to kill a member of his family and thereby collect the insurance, and in the process killed everybody else on the airplane. That was a planned, premeditated and foul type of murder.

In this and other instances where murder is planned and premeditated by an individual, I submit that the threat of capital punishment is no more a deterrent to that individual than is the threat of life imprisonment. I think what that individual is thinking about, or what he convinces himself will occur, is that he can plan and carry out a murder and use his wits in such a way that he will escape detection. He has convinced himself that he will be able to do this and will be able to escape detection, arrest and conviction by the police.

I support this bill, because it recognizes the fact that in some instances the threat of capital punishment is no more a deterrent than is the threat of life imprisonment. I submit that this is true in so far as planned and premeditated murders are concerned.

[Mr. Howard.]

I would say, however, that the retention of capital punishment in so far as concerns certain types of planned and premeditated murders will be acceptable to those who maintain that it is a deterrent; it will be acceptable to those who think in terms of the necessity for revenge; it will be acceptable to greater or lesser degrees to people in different parts of the country, depending upon the circumstances which might exist at any particular time.

Public opinion on this particular question of the necessity for capital punishment in certain cases will rise and fall as circumstances vary in a particular locale. If there is in an area a particularly fiendish individual who commits murder and the inhabitants are incensed about the murder and the manner in which it was carried out, the feeling in that area will rise and insist upon capital punishment being the proper punishment. At some other point of time, if nothing occurs in the same community, the feeling in that regard will diminish.

Mr. Chairman, I know other hon. members wish to rise and speak on this subject because I saw them rise when the first clause of this bill was called. Therefore perhaps I should not say anything more at this particular time, because it is ten or 12 minutes to six o'clock and I know other hon. members wish to participate in this debate and express their views today and keep them connected as closely as possible with the vote that took place. On later, subsequent clauses I think we could perhaps engage in a more extended debate.

Mr. McGee: Mr. Chairman, since I first became concerned with this subject a number of years ago as a result of having served on two successive murder juries I have been engaged in continuing study, discussion, argument and debate on this matter and I have come to know the retentionists' argument very well indeed.

I would not care to hazard a guess as to the number of debates outside of this house in which I have been involved, but it is a considerable number. As a person will in any discussion or any continuing argument, I have made it my business to try and probe surface reasons in the minds of those persons who are advocates of the death penalty being retained.

I have also made it my business, in travelling across this country, as I have had the good fortune to do in the last year or so, in particular visiting universities in almost every province of this country, to continue to probe the reasons offered by persons who would retain capital punishment. I think I should offer to the minister and the committee

the benefit of that experience and those discussions, which experience is perhaps unique in this committee.

It seems to me that in general the great majority of retentionists are in favour, as they have indicated in overwhelming numbers in this house today, of a limitation and a reduction in the application of the death penalty. No one, not even the most fire-breathing retentionist or any hon. member of this committee, enjoys contemplating participating himself in an actual execution, in spite of the phrase commonly heard following a particular ghastly murder, "I would not mind pulling the rope myself" and other statements which have been made in a burst of emotion following such incidents.

However, it seems to me that the great majority of retentionists agree that the application of the death penalty should be reduced and limited. The statement I have heard over and over again is, "Yes, I go along with your bill, your idea about abolishing capital punishment, except in the case of", and then the person goes on to describe the one unforgiveable crime from his point of view.

I must confess that most frequently the crimes mentioned and presented to me in these extensive discussions have been those committed against children, specifically the crime of rape of a child followed by murder; the crime of kidnapping followed by murder; the crime of murder committed on an old, weak and helpless person. These are the crimes most frequently suggested as being incapable of forgiveness.

I wonder whether in describing what capital murder is and attempting to define what we mean generally—and by "we" I mean the people of Canada—should be the exceptions to the limited application of the death penalty, we should perhaps embody in the language of the law some of the descriptions applied to such crimes. The words which occur, and which have occurred in this debate and in the ones that have preceded it, are, in particular, the words "cold blooded". I am not a lawyer, but it seems to me that words have meanings; people use them for that purpose. As I say, the expression "cold blooded" has been used time and time again in this house in this and other discussions. Is it not reasonable that the law should contain what the great majority of people, according to my investigations, and in my opinion, feel to be a description of a crime to which the death penalty would apply.

Another word frequently used to qualify this degree of culpability for which the death penalty would be warranted is the word "foul". Several hon. members—I shall not mention any in particular, have used this word to describe what they regard as an unforgivable murder, a murder that must be punished by capital punishment.

There is another ingredient in this question of the degree of culpability which has troubled many people and which has been described as presenting the greatest problem. It is the person who clearly represents a threat and a danger to society. The argument put forward—and it was used in this debate as well as in previous debates—concerns a man sentenced to life imprisonment who kills a guard. The argument is: what has he got to lose if, ultimately, there is no death penalty. What has he got to lose by killing a guard? As I say, I have given an answer to that in previous debates as far as the abolitionist argument is concerned, but we are not discussing that today. We are attempting in this first clause to define in terms as clear and unmistakable as possible what we mean by capital murder, the type of murder which we say must be punishable by death. I am not prepared, as the hon. member for Skeena mentioned a few moments ago, to offer now an amendment containing these particular phrases and words, but it seems to me some consideration should be given to translating into the law, to writing into it, those terms which our people and our society have used and are using to describe such crimes, and I suggest again that perhaps "foul" and perhaps "cold blooded" should be added to the phrase "planned and deliberate" and that some consideration might be given to this question of whether such people clearly represent a threat and a danger to society. As I have said before on this argument concerning a person killing a guard while attempting to escape, surely if we can develop, design and bring forward such tremendously complicated, complex and technical devices as have been developed during this century we are capable of so designing a prison or place of incarceration as to reduce to an absolute minimum the threat or danger to those persons charged with the care of prisoners.

As I mentioned before having regard to the definition of capital murder—again I think the M'Naghten rules—the legal definition of insanity as compared with the medical or clinical definition of insanity, leave much to be desired. As I mentioned when speaking on second reading there is clearly room for improvement here in this notion of diminishing responsibility and I do hope we can qualify the definition of capital murder to exclude specifically those who are suffering from a diminished mental responsibility for their actions. I do not think the intention of the M'Naghten rules or any other consideration of insanity was ever to ensure that persons who are not sane should be hanged.

These thoughts, which I should like to leave with the committee, are in no sense an attempt to push the minister over the brink. Rather, these suggestions are intended to give the committee the benefit of what a great many persons in this country are thinking. These are the thoughts of people vitally concerned with this subject. I offer these suggestions as being the ingredients which, according to my judgment, the majority of people have in mind for the one category of murder for which capital punishment will be applicable.

Mr. Fulton: I rise, not to reply to those hon. members who have spoken on the substance of the first clause so far but to deal with the question which was raised some time ago by the hon. member for Maisonneuve-Rosemont, suggesting that discussion of the bill in committee might be deferred. I must say that when I first heard his request it seemed to me that, after all, the bill had been before the house for nine days since it was read the first time and distributed, and that all hon. members had probably made up their minds not only on the principle of the bill but also with regard to the details. I thought, therefore, it would be appropriate to continue at once to consider the bill in committee.

I must say that I was also a little conscious of the fact that there had been some criticism—though I wish to say we do not consider that criticism to be justified—that the government was at fault for not having legislation on the order paper for the house to deal with. Well, this bill has been on the order paper for nine days, and if it were the fact that there is not a great deal of other legislation presently before the house and I considered that members would have had an opportunity to consider this subject carefully and make up their minds.

These arguments could all be advanced; nevertheless, I am sure the hon. member put forward his views with sincerity and for a good purpose. For that reason I have had a discussion with my colleague the leader of the house and I may tell the committee that, having today opened up the discussion of clause 1, if it meets the wishes of hon. members opposite we should be prepared to defer further consideration of the bill in committee until next Monday.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Benidickson: May I ask the leader of the house whether we continue this bill or go to estimates tomorrow?

Mr. Churchill: Mr. Speaker, by special arrangement, which I hope is appreciated, we will take up the estimates of the Department of National Health and Welfare tomorrow; and on Friday we shall take the estimates of the Department of Justice. If there is time available on Friday or Saturday, contrary to what I announced earlier, the Department of Mines and Technical Surveys would come in ahead of the Secretary of State.

Mr. Martin (Essex East): The Minister of Justice gave us no concession a while ago.

Mr. Fulton: Certainly I did.

Mr. Churchill: I gave the concession. The arrangement for Thursday is to help out the hon. member for Essex East.

Mr. Martin (Essex East): Yes; I was not referring to the house leader; I was referring to the Minister of Justice.

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

ANSWER TO QUESTION

The following answer, deposited with the Clerk of the house, is printed in the official report of debates pursuant to standing order 39:

CHINESE-CANADIAN TRADE AGREEMENT

Question No. 227—**Mr. Argue:**

Question

1. Does the Chinese-Canadian long term trade agreement contain any obligation on the part of Canada to purchase goods from China?
2. If so, what are the terms of any such undertaking?

Answer by: **Hon. Alvin Hamilton (Minister of Agriculture):**

1. No.
2. See (1) above.

HOUSE OF COMMONS

Thursday, May 25, 1961

The house met at 11 a.m.

HOUSE OF COMMONS

PRESENCE IN GALLERY OF PRIME MINISTER OF ISRAEL

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, with the permission of the house I should like to refer to the presence in the gallery of the Prime Minister of Israel, Mr. David Ben-Gurion, the valiant nation builder of modern Israel. He is not unknown to Canada, having been here on more than one occasion, the first of which was in 1917 or 1918 when, following the Balfour declaration for the acceptance of the setting up of a national home for the Jews, he belonged to the Royal Fusiliers who were then taking their training in Windsor, Nova Scotia.

Throughout the years he has given leadership to his country. Our distinguished visitor is no stranger to parliament. He has served in the knesset, the parliament of his country, for many years, and represents that belief in parliamentary democracy which has been an essential element of his life and dedication. He comes from a land where our religious faith originated and from which many of the values of western civilization have been derived. Since the creation of his country in 1948 the people have been engaged in a remorseless struggle against climate and economics. As the leader of that nation he has earned admiration for the perseverance which has enabled him and those associated with him to meet almost insuperable obstacles in the directions I have indicated.

We welcome him to Canada for the position which he occupies, and for the contribution that the people of the Jewish race have made to Canada over a period of slightly more than 200 years. I am sure I speak for hon. members everywhere when I say that we extend to him the warmest of greetings and good wishes, and through him to the president and people of Israel.

Hon. Paul Martin (Essex East): Mr. Speaker, in the absence of the Leader of the Opposition and on behalf of the Liberal opposition I am happy to join the Prime Minister in extending a sincere welcome to Canada and to this parliament, to the distinguished Prime Minister of Israel, the head of government in that dynamic little state.

On the occasion of his visit to this parliament it is appropriate that we should remind ourselves that Canada has been in the forefront of almost every vital step in the development of the state of Israel since 1947, when partition was first voted. This, too, is an occasion to recall that partition itself was urged and actively supported by the Canadian representative on the United Nations special committee on Palestine, Hon. Mr. Justice Rand, then of the Supreme Court of Canada. It was he who, along with others, pleaded for the creation of a Jewish state.

Then, of course, I am sure that all members will recognize the fact that is was the Leader of the Opposition who actively lead the move to admit the newly created state of Israel to the family of nations. Canadians generally, I think, are proud that he has been recognized for those efforts.

The applause that greeted the remarks of the Prime Minister, when he extended a welcome to Mr. David Ben-Gurion, as prolonged and as sincere as any we have had in a long time in receiving a foreign visitor, indicates our admiration not only for Israel but for the great statesman who is its prime minister. Mr. David Ben-Gurion is a man of action but he is also a man of thought. Like Balfour and Smuts, he has been able to combine the qualities of the statesman with those of one who loves philosophy and learning generally. His life has been dedicated to the survival of the Jewish people. History will demonstrate that, along with Herzl and Weiszman, he is truly one of the fathers of his country, this boy who at the age of 17 left Russia to come to what he calls Zion. Mr. David Ben-Gurion is a man of the world, and he has fought for the rights of man everywhere.

The Prime Minister mentioned yesterday that he recalled with satisfaction his own visit to Israel, and I wonder, Mr. Speaker, if I may just make this personal note. The last time I saw Mr. David Ben-Gurion was in the desert, in his kibbutz, in Israel. I shall never forget the remarkable and memorable day I had with him there in 1958. So in welcoming him here today I can characterize our visitor in no better words than those used

in 1958 by Hadassah in its award to Israel's premier for distinguished humanitarian service:

> With insight derived of wisdom, with perseverance and courage inspired by prophetic vision, guided always by the spiritual teachings of the holy Bible, he has translated the moral concepts of our ancient heritage into a humane and democratic leadership, this assuring for Israel and himself a unique and honourable place in the history of man's struggle for freedom.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, in the absence of the national leader of the C.C.F., I am very happy to join in the words of welcome expressed by the Prime Minister and the hon. member for Essex East to Premier Ben-Gurion, who I understand was exiled by Turkey in the first world war, later came to Canada, trained in Windsor, Nova Scotia, under British guidance and later served with the British forces in the Jewish legion; who fought against evil at that time and who has been working for all that is good ever since.

Independence came to his country 13 years ago as a result of his guidance and decision. We are proud to know today that it is a democratic socialist state which has conducted a successful experiment that is no longer an experiment but a reality that really works. Except for a short period when he became a shepherd, Mr. Ben-Gurion has been a premier. A shepherd named David became a king; a premier named David became a shepherd. He is a prophet in the land of prophets. The rewarding rehabilitation program being undertaken in Israel follows the biblical instructions given in Leviticus 19:23:

> And man realizing his loss, must set out to clothe the land with trees.

That great English orator, political philosopher and statesman, Edmund Burke, said:

> The nerve that never relaxes, the eye that never blenches, the thought that never wanders—these are the masters of victory.

How aptly do these words apply to Premier Ben-Gurion, our guest today, the head of a state that has nourished democracy, where it has blossomed, and has caused the desert to bloom, giving new life and hope to millions.

COMMITTEES OF THE HOUSE

Fifth and sixth reports of standing committee on railways, canals and telegraph lines—Mr. Howe.

STANDING ORDERS—CONCURRENCE IN ELEVENTH REPORT OF STANDING COMMITTEE

Miss Margaret Aitken (York-Humber) moved:

> That the eleventh report of the standing committee on standing orders, presented to the house on Tuesday, May 23, 1961, be now concurred in.

Motion agreed to.

[Mr. Martin (Essex East).]

NATURAL RESOURCES

REPORT ON PREPARATIONS FOR CONFERENCE

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, as members of parliament are aware, preparations for the resources for tomorrow conference to be held in Montreal, October 23 to October 28 next, are now well advanced. The governments of all the provinces have co-operated with the government of Canada in planning to make the conference a most significant event in the history of our country, in so far as the development of Canada's renewable resources is concerned.

Background papers form an essential basis for the conference discussions. In all, 80 such papers have been submitted. As a number of these have been written by co-authors, upwards of 100 scientists and other experts in the various resource fields have contributed to the fund of information and judgment on which conference deliberations will be founded.

As a service to parliamentarians and the press, as well as to radio and television reporters and interested organizations and individuals, the resources for tomorrow secretariat has assembled, in each of the seven sectors involved, short summaries of background papers. For each sector a resumé of highlights of the papers will be prepared. This resumé is, in effect, a digest of contents designed to indicate the general pattern or trend of approach by the authors to the renewable resource development problems.

The first of these completed digests pertains to the waters sector, and this document is available in both English and French. The water sector resumé will be followed, in due course, by information compiled in similar form in respect of wildlife, forestry, land use, fisheries, recreation and regional development sectors.

POWER

COLUMBIA RIVER—INQUIRY AS TO LETTER FROM B.C. PREMIER

On the orders of the day:

Mr. G. J. McIlraith (Ottawa West): Mr. Speaker, I should like to direct a question to the Minister of Finance, to ask him whether he has yet been able to obtain permission from the premier of British Columbia to table the letter from the premier of that province written to him and dated January 13, 1961, as asked for by the hon. member for Laurier on May 22 and again yesterday by the hon. member for Bonavista-Twillingate.

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, I took the request that was made by the hon. member for Bonavista-Twillingate as having regard to the

tabling of all correspondence that had passed between Premier Bennett and myself in respect of this subject, and that was what I undertook to speak to the premier about. I expect that I will be seeing him during the course of the day.

As far as the letter of January 13, 1961 which the premier wrote me is concerned, that has already been put before the house, and is to be found on page 1652 of *Hansard* for February 2, 1961. My reply to that letter in full was placed before the house on February 2, and is to be found at pages 1650 and 1651. It will be seen by all hon. members who care to refresh their memories as to the contents of these two letters—

Mr. Hellyer: The minister's memory is fresher today than it was yesterday.

Mr. Fleming (Eglinton): —that while Premier Bennett's letter was written prior to the signing of the treaty between Canada and the United States, the premier's letter arrived here on Monday morning, January 16, when the Prime Minister was already on his way to Washington to take part in the signing ceremonies which had been arranged previously to be held on the morning of Tuesday, January 17.

It will be seen also by those who care to read Premier Bennett's letter that he did not ask that the treaty be not signed. As a matter of fact the tripartite discussions to which the governments of Canada, the United States and British Columbia had been parties had been proceeding for some time previously with a view to leading up to the signing of the treaty, which actually took place on January 17.

Mr. McIlraith: Mr. Speaker, I wish to thank the minister for his somewhat extended answer to a rather simple and direct question concerning whether or not he had obtained consent to the tabling of a certain document. In any event, I take it that it is quite clear from the record in *Hansard* that both the hon. member for Laurier and the hon. member for Bonavista-Twillingate referred to the specific letter by date. I take it from the minister's answer that it is also quite clear that the letter quoted in *Hansard* at page 1652 is the letter in question, and the only one that passed on that date from the premier of British Columbia to the Minister of Finance. As to the debatable part of the answer of the Minister of Finance which was rather extended—

Some hon. Members: Order.

Mr. Walker: Mr. Speaker, may I ask what is the hon. member's question?

Mr. Martin (Essex East): We have a Speaker in this house. The minister is not the Speaker.

Mr. Walker: Mr. Speaker, must we listen endlessly to this long winded exponent from Ottawa West?

Mr. Speaker: Order. I am still waiting to hear what the question is. I take it that the hon. member for Ottawa West intends to ask a supplementary question.

Mr. McIlraith: Yes, Mr. Speaker. I find myself in some difficulty at this time. I asked a direct question of the Minister of Finance in which I inquired whether he had obtained consent to the tabling of a certain document. The minister made a lengthy reply, part of which was addressed to the question. In his reply the minister said that the document was published in *Hansard*, and he gave me the page reference, but the latter part of his answer contained matter which was debatable, and I wish to raise a question concerning it.

Mr. Grafftey: One of our clearer questioners is now on his feet.

Mr. Speaker: Order. The hon. member has the floor to ask a supplementary question.

Mr. McIlraith: My supplementary question is this, Mr. Speaker. I take it from the minister's answer—the latter part of his answer, in any event—that it is quite clear that the letter from the premier of British Columbia—

Some hon. Members: Question.

Mr. McIlraith: —had been received in Ottawa well before the signing of the agreement with the United States?

Mr. Fleming (Eglinton): Mr. Speaker, not "well before" at all. I made this quite clear when I was asked this question several days ago, and I have made it clear again this morning. The letter of Premier Bennett which appears in full at page 1652 of the *Hansard* of this house for February 2 was dated January 13. It arrived in Ottawa on Monday, January 16. The treaty was signed in Washington on Tuesday morning, January 17. The letter of Premier Bennett arrived here when the Prime Minister was already on his way to Washington to take part in the signing ceremonies which had been previously arranged and with full knowledge on the part of the representatives of the British Columbia government who had participated in negotiations on this matter with the government of Canada and, at times, with the government of the United States. This was a matter of arrangement among the three governments and was completely within the contemplation of all three governments.

Mr. Hellyer: They certainly took the minister for a ride.

Hon. Paul Martin (Essex East): A supplementary question, Mr. Speaker. Will the Minister of Finance explain to the house why he said yesterday he would have to get consent to table a letter which he had already tabled in this house?

Mr. Fleming (Eglinton): Mr. Speaker, I would not have thought that anything would require explanation when the situation was so clear. I had been asked on two days this week about tabling correspondence with Premier Bennett. There is other correspondence in addition to these two letters. I was asked about tabling correspondence and before I could table correspondence, which has extended over some period, I stated and I still believe that the consent of the government of British Columbia should be required. I said yesterday that I expected to see Premier Bennett today, not in Ottawa but elsewhere, and that I would have an opportunity to ask him about these letters. I remind the hon. member for Essex East, Mr. Speaker, who cannot be quite so lacking in intelligence as he tries to show this morning, that this letter was not tabled. It was read into *Hansard*—

Mr. Martin (Essex East): What is the difference?

Mr. Fleming (Eglinton): —in the course of a statement which I made to the house on this matter on February 2. It was the hon. member for Kootenay West who asked me then if I would table the letter of Premier Bennett to which my letter was written in reply, and I complied with that request.

Mr. Martin (Essex East): Such ineptness.

Mr. McIlraith: I should like to ask a supplementary question arising out of the discussion with respect to this letter, as reported in *Hansard* of February 2, 1961. My question has to do with the request for the tabling of the letter of Premier Bennett, which the minister ascribed to the hon. member for Kootenay West, and I would ask the minister—

Mr. Speaker: I am sorry, but I cannot hear the hon. member who has the floor.

Mr. McIlraith: After pointing out that the minister ascribed the request for the tabling of the letter and its printing in *Hansard* to the hon. member for Kootenay West, I was going on to point out that it was the hon. member for Laurier who made the request and I would ask the minister when he moved that hon. member's constituency to Kootenay West.

[Mr. Fleming (Eglinton).]

Mr. Speaker: Order. I think the supplementary should not be admitted as it arises out of some ancient error in *Hansard.*

Mr. Stuart Fleming (Okanagan-Revelstoke): I should like to ask a supplementary question of the Minister of Justice. In view of the confusion that has developed in British Columbia because of press reports in recent days, did the Minister of Justice himself receive any communication from any member of the government of British Columbia prior to the signing of the treaty, indicating that the government of that province objected to that course?

Hon. E. D. Fulton (Minister of Justice): Mr. Speaker, I have received no communication at any time from any member of the government of British Columbia indicating any reservation whatsoever about the advisability of signing the Columbia river treaty last January, or about the merits of the treaty itself.

On January 9 I forwarded to Hon. Mr. Williston, minister of lands and forests for British Columbia and chairman of the British Columbia section of the Canada-British Columbia policy liaison committee on Columbia river development, a copy of the text of the treaty which had been unanimously recommended by the Canadian and American negotiators to their respective governments. This recommendation was signed by the deputy minister of lands of British Columbia as well as by myself.

In my covering letter to Mr. Williston I advised him that it was our intention to sign the treaty on January 16 and that under all the circumstances, including the participation and signature of Mr. Bassett, his deputy minister, we assumed that the British Columbia government was in accord with the terms of the treaty unless I heard from Mr. Williston to the contrary. Mr. Williston acknowledged receipt of the copy of the text of the treaty and of the Canadian negotiator's recommendation on January 12. No suggestion was then, or ever, made that the treaty should not be signed.

It was, of course, understood by both governments that in the interval between the signing and the ratification of the treaty by Canada certain agreements, including an agreement on the financing of the treaty projects, should be negotiated. It is obvious that if Premier Bennett had intended to communicate to the federal government—

Mr. Speaker: Order. The question of fact involved is the time of receipt of the communications that were exchanged. I think we are perhaps extending the matter into a debate on what transpired, and I suggest to the Minister of Justice that he terminate his

answer there unless he feels there is some further factual explanation that is needed.

Mr. Fulton: Mr. Speaker, I should like to do so briefly, because I was asked whether I had ever had any communication with the government of British Columbia involving reservations with regard to the signing of the treaty, and I think I should conclude my answer simply by saying that it is obvious that we have not had any such representations. It is obvious that the letter from Mr. Bennett of January 13 to the Minister of Finance was not intended by Mr. Bennett at that time—

Mr. McIlraith: Order.

Mr. Fulton: —on the basis of its contents, to raise any objection—

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

Mr. Fulton: —to the signing of the treaty but was concerned entirely with the collateral matter of the financing of the treaty project.

Mr. McIlraith: Mr. Speaker, I rise on a point or order. My point is that in the latter part of the minister's answer he went on to debate the position; because it is quite clear from the letter itself, which is now before the house—

Some hon. Members: Order.

Mr. McIlraith: —and which can be found at page 1652 of *Hansard*, reference to which has been made by the minister, that the position the minister is now taking is a debatable one and not the type of thing to be put forward in a factual statement.

Mr. Speaker: Order. I think there is a strong desire to debate this matter and that this is not the appropriate time. I suggest that the supplementary questions terminate and that we pass to the next order of business.

Mr. Lucien Cardin (Richelieu-Vercheres): I should like to direct a supplementary question to the Prime Minister. Can he inform the house whether he had been made aware of the contents of the letter from the premier of British Columbia at the time Canada signed the treaty?

Mr. Speaker: Order. As I have just indicated, it seems to me that there has been ample opportunity to verify the facts by question and answer, at least as far as can be done at this stage of the day. Therefore I cannot admit any further supplementaries or answers on this matter.

Mr. Martin (Essex East): Mr. Speaker, may I suggest that in view of the fact that you asked the Minister of Justice to desist and he carried on—

Some hon. Members: Order.

Mr. Martin (Essex East): There we are again, Mr. Speaker.

An hon. Member: There you are again.

Mr. Speaker: Order. I am not sure whether the hon. member for Essex East is raising a point of order. There was a point of order taken by the hon. member for Ottawa West about the answer of the Minister of Justice. I heard what he had to say and I am inclined to agree that the answer did go on into the expression of opinion as well as fact, but I consider the matter closed now.

Mr. Martin (Essex East): The only point I was seeking to suggest to Your Honour—

Mr. Fulton: I rise on a question of privilege.

Mr. Speaker: Order. The hon. member for Essex East had the floor. I will hear the minister's question of privilege immediately.

Mr. Martin (Essex East): The suggestion I was seeking to make before I was so rudely interrupted by the Minister of Justice was that the hon. member for Richelieu-Vercheres put a question to the Prime Minister, which I suggest is an important one, and the Prime Minister was about to reply. While I understand Your Honour's desire to restrict questions, in the circumstances, I would think that since the Prime Minister was about to reply he should be allowed to do so.

Mr. Fulton: On a question of privilege, Mr. Speaker, I not only want to correct what the hon. member for Essex East has said but also to point out that at no time did I act in disregard of your suggestion. The hon. member said just now that you, sir, asked me to desist and that I carried on.

Mr. Martin (Essex East): That is right.

Mr. Fulton: You will recall that you suggested I might terminate my answer unless I had some other factual information. I said that in my view there was other factual information that I should like to give in reply to the question which had been addressed to me. I carried on in accordance with your own suggestion that there was a possibility of a proper continuation of the reply.

NATIONAL CAPITAL COMMISSION

SUGGESTED DISTRIBUTION TO PROVINCES OF TULIP BULBS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I want to direct a rather unusual and flowery question to the Minister of Public Works. In view of the fact that a great many Canadians will never be able to come

to Ottawa to enjoy the full glories of our tulip festival, would the minister consult with the national capital commission and any other appropriate bodies to ensure the distribution of at least some of the Dutch tulip bulbs to our provincial capitals of Canada, to the end that Queen Juliana's wartime association with the capital of Canada may be celebrated by lesser tulip festivals throughout the nation?

Hon. D. J. Walker (Minister of Public Works): Mr. Speaker, I will give my usual flowery answer; yes.

THE CENSUS

STATEMENT ON FORMS TO BE USED BY ENUMERATORS

On the orders of the day:

Hon. Paul Hellyer (Trinity): Mr. Speaker, I wish to direct a question to the parliamentary secretary to the Minister of Trade and Commerce. In view of the reported turmoil in the census division of the Department of Trade and Commerce following the publishing of a magazine article advising readers to demand a confidential census form, can the parliamentary secretary assure the house that steps will be taken to guarantee that the taking of the census and publication of the results will not be delayed as a result of the incident?

Mr. E. L. Morris (Parliamentary Secretary to the Minister of Trade and Commerce): Mr. Speaker, since there is no census division within the Department of Trade and Commerce I presume that the hon. member intended to refer to the demography division of the dominion bureau of statistics.

Mr. Hellyer: That is correct.

Mr. Morris: Under the direction of my minister I am in contact with that division, and let me say there is no turmoil within it.

If the house would permit, perhaps I should state factually what the two forms are in connection with the taking of the population census and, in so doing, again bespeak, as my minister has done, the active support and co-operation of members of parliament, who can give a most significant and meaningful direction to this great national undertaking which has such an important bearing upon the future economic and social life of Canada.

In reply to the question let me indicate that there are two forms involved. One is known as form 2A. It is in padded shape and consists—

Mr. Benidickson: The appointments are also padded.

[Mr. Herridge.]

Mr. Morris: —of a series of questions kept in the pad by the enumerator. These questions are normal to all census taking both in Canada and in other countries which undertake census work. These questions have been asked in previous Canadian census taking.

At each fifth household a form known as form 4 will be left with every person 15 years of age and over. Some of the questions asked on form 4 are confidential in nature. These questions elicit information concerning gross earnings and the component sources of income which make up the individual's gross earnings. As I have said, this form will be left with each individual 15 years of age and over in every fifth household. The individual will be asked to complete it in privacy. Having completed it he will be requested to seal it with the gummed stickers provided for the form. The form will then be collected by the enumerator and returned by him directly to the dominion bureau of statistics, where it will receive attention from the dominion statistician. The sealed form will not be opened by the enumerator.

There will be no delay in the conduct of the 1961 census of Canada which will commence on June 1 through the activity of 27,000 enumerators. I bespeak again such support as the hon. gentleman and other hon. members can give to the conduct of this meaningful national undertaking.

Mr. D. M. Fisher (Port Arthur): A supplementary question, Mr. Speaker. Can the parliamentary secretary give us an estimate or indication as to when that part of the census information used for redistribution will be made available?

Mr. Morris: Yes, Mr. Speaker. The returns from the population survey, form 2A, will be transcribed by two electronic computer machines.

Mr. Benidickson: Progressive Conservative machines?

Mr. Morris: After the returns have been fed through the machines we will have the population total, provided the electronic machines do not incur any disabilities such as afflict the opposition—

Mr. Martin (Essex East): Order.

Mr. Morris: —and I think we can count on a meaningful answer in about 10 or 12 months.

[*Later:*]

Mr. Hellyer: I should like to direct another question to the parliamentary secretary to the Minister of Trade and Commerce. Is the parliamentary secretary aware of the fact

that the confidential information to be given in form 4 is readily discernible by merely placing the form in the line of sight in any reasonable light, and therefore can be deciphered by any person who would be willing to look at the form?

Mr. Morris: I and the dominion bureau of statistics do not have the same imputations which the hon. gentleman has about the 27,000 enumerators. I have just courteously sent him the form. The form will be sealed. If he will kindly turn it over he will see three pieces of gum which will seal the form and prevent that situation which he has just mentioned.

Mr. Hellyer: I have a further supplementary question. I am sure the parliamentary secretary was aware of the fact that I was referring to the sealed form. It is still possible readily to discern the information—

Mr. Speaker: Order. The hon. member has brought the matter to the attention of the parliamentary secretary, and it seems to me that is all that can be accomplished on the orders of the day.

Mr. Arnold Peters (Timiskaming): I wish to ask a supplementary question of the parliamentary secretary to the Minister of Trade and Commerce. Because of the development of this second sealed questionnaire, has consideration been given to allowing the people themselves to fill in the regular census forms and have those sealed forms delivered to the enumerators also?

Mr. Morris: Mr. Speaker, we are carrying on in the 1961 census the standard census procedure.

Mr. McIlraith: Not in hiring staff.

Mr. Morris: The hon. member for Ottawa West has made some interjection with, I presume, his typical lucidity. He would know all about this matter, because he ostensibly handled the last census.

Mr. Hellyer: And it was very efficiently handled.

Mr. Morris: The general census form does not contain any information which, in the view of demographic scientists, would require it to be prepared in an attitude or atmosphere of confidence over and above the oath of secrecy taken by the enumerator and for which protection is provided in law. Those details which are regarded as individually intimate are in form 4, which is taken from every individual 15 years of age and over in the fifth household ending with the numeral 3 or 8 in the enumerator's chronological order.

Mr. Hellyer: But it can be read just as easily as if it were open.

[*Later:*]

Mr. Fisher: Mr. Speaker, I should like to ask the parliamentary secretary to the Minister of Trade and Commerce another question relating to my previous one. Since the last census was able to provide information for redistribution in a nine month period, I wonder whether he could tell us why the Conservative machine—

Mr. Speaker: Order. The hon. member is obviously intent on presenting an argument, a course which would be improper and which would probably prolong a discussion which has already been too long.

Mr. Morris: Notwithstanding—

Mr. Speaker: Order. The hon. member has no question before him.

EXTERNAL AFFAIRS

LAOS—INQUIRY AS TO CURRENT SITUATION

On the orders of the day:

Mr. Arthur Smith (Calgary South): Mr. Speaker, I should like to ask the Prime Minister if he can inform us of any new developments in the situation in Laos.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, as the house knows, on May 20 the international supervisory commission in Laos mentioned the reported build up of arms and ammunition on both sides. Because of the tension created and other problems, the commission expressed the hope that military supplies from outside Laos would cease forthwith. As well, it expressed the view that the withdrawal of foreign forces and advisers introduced into Laos since 1954 should take place with the least possible delay.

The principle that a status of genuine neutrality for Laos requires the withdrawal from that country of foreign military personnel who are not there by specific international agreement is generally recognized. In expressing the view of the Canadian government to the conference on May 17 the Secretary of State for External Affairs said:

> Such status would involve no foreign military formation on Laotian soil.

Also, on the same day, the United States secretary of state, Mr. Rusk, speaking for the delegation of his country said:

> Foreign military personnel, except for those specified in the Geneva accords, should be withdrawn from Laos—
>
> There is no problem about the withdrawal of the limited United States military personnel assisting with the training and supply of government

forces if the 'Vietminh brethren' and other elements who have entered Laos from the northeast return to their homes.

Hon. Paul Martin (Essex East): A supplementary question, Mr. Speaker. In view of the fact that the Geneva conference on Laos is about to be postponed until May 29, can the Prime Minister say whether it is the intention of the Secretary of State for External Affairs to return to Laos to act as the Canadian spokesman?

Mr. Diefenbaker: Mr. Speaker, I think the hon. gentleman made a slip—

Mr. Martin (Essex East): I intended, of course, to refer to the return of the Secretary of State for External Affairs to Geneva.

Mr. Diefenbaker: —not an unusual slip, but one which was apparent to everyone on this occasion.

Mr. Martin (Essex East): What was that nice crack?

Mr. Diefenbaker: When the Secretary of State for External Affairs returns to the house, which I expect he will do this afternoon, possibly he will be in a position to advise what further course will be undertaken. In any event, the postponement underlines the lack of urgency in the situation at this time.

CANADIAN NATIONAL RAILWAYS

MONCTON AND NORTH BAY—REPORTED LAY-OFFS

On the orders of the day:

Mr. W. L. M. Creaghan (Westmorland): Mr. Speaker, I wish to direct a question to the Minister of Transport concerning the Canadian National Railways. Last night and this morning I received word from Moncton by radio and press concerning a large C.N.R. lay-off at the Moncton shops. Yesterday the railway announced the curtailment of heavy repairs to passenger car equipment at Moncton, and the transfer of this work elsewhere. The employees predict that 130 men will be involved in this lay-off, while management has told the press that between 80 and 90 men are involved.

Would the minister instruct the C.N.R. and particularly Mr. Gordon to delay this order and to call a special meeting of the board of directors to review this policy decision of management?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, knowing the sincere and continuing interest of the hon. member in all matters concerning the Canadian National Railways and its employees, I can assure the hon. gentleman I will take up this matter with railway management immediately.

[Mr. Diefenbaker.]

Hon. Paul Martin (Essex East): A supplementary question, Mr. Speaker. In view of the assurance given by the minister that the government will take action in this situation, will the minister also undertake to discuss with the management of the railway the cut in employment on the railway in North Bay, resulting in additional people being put out of work at this critical time of unemployment?

Mr. Balcer: Mr. Speaker, I shall also bring this matter to the attention of management.

(Translation):

TELEVISION

SUDBURY, ONT.—INQUIRY AS TO OPENING OF FRENCH STATION—REQUIRED APPROVAL OF MINISTER OF TRANSPORT

On the orders of the day:

Mr. O. J. Godin (Nickel Belt): Mr. Speaker, I would like to put a question to the Minister of Transport concerning the forthcoming opening of a French T.V. station in the Sudbury area. Since Canada and the United States have now come to an agreement on the use of channel 13, would the minister inform the house as to whether the required approval by his department before the work can be undertaken will soon be given.

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I will take that question as notice.

(Text):

UNEMPLOYMENT INSURANCE

REPORTED DENIAL OF DAY'S BENEFITS TO UNEMPLOYED DELEGATION

On the orders of the day:

Miss Judy V. LaMarsh (Niagara Falls): Mr. Speaker, may I direct a question to the Minister of Labour. Is the minister aware that a board of referees at St. Catharines has rendered a two to one decision disallowing the appeal of 15 unemployed persons from Welland county against the decision to suspend unemployment benefits for the day of their visit to Ottawa?

Hon. Michael Starr (Minister of Labour): Yes, Mr. Speaker.

Miss LaMarsh: I have a supplementary question. In the light of the fact that the decision indicates that the suspension arose originally because of improper instructions given by the Welland office of the unemployment insurance commission, is the minister prepared to intervene on behalf of the applicants to ensure that they receive their benefits?

Mr. Starr: The applicants now have recourse to appeal to the umpire, whose decision is final.

Mr. W. H. McMillan (Welland): Does this situation apply to other areas from which men came here to Ottawa on that day? Are they also deprived of their unemployment insurance benefits for that day?

Mr. Starr: Under the act anybody who does not report on the day on which the act specifies that he shall report is deprived of one day's unemployment insurance benefits.

IMMIGRATION

SAINT JOHN, N.B.—REPORTED PROVISION OF BEDS TO IMMIGRANT STRIKEBREAKERS

On the orders of the day:

Mr. Frank Howard (Skeena): In the absence of the Minister of Citizenship and Immigration I should like to pose a question to the parliamentary secretary, and ask him whether he or the minister will check into allegations that the immigration officials in Saint John, New Brunswick, are supplying beds and bedding to immigrant strikebreakers at the shipyards there.

Mr. John Charlton (Parliamentary Secretary to the Minister of Citizenship and Immigration): Mr. Speaker, I will check into that question.

THE BUDGET

REQUEST FOR COMMENT ON REPORTS OF DEFICIT

On the orders of the day:

Mr. Lucien Cardin (Richelieu-Vercheres): Mr. Speaker, I should like to direct a question to the Minister of Finance. Since the minister has decided to keep the facts and figures to himself until after next Monday, would he care to confirm or deny reports that he will be setting an all-time record in his budget presentation and will be reporting the biggest deficit in Canadian history?

Some hon. Members: Order.

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, to every hon. member of this house it will be perfectly obvious that the question which has just been asked is an abuse of the rules of this house. It attempts to make assertions which are untrue on their face, and it attempts to argue the case. This is not the latest period for the submission of a budget, and I do not know of any precedent for an opposition asking for the introduction of a budget when there is one measure of the previous budget still waiting final enactment by parliament.

Mr. Hellyer: That is your responsibility.

Mr. Fleming (Eglinton): The hon. gentleman opposite and some of his colleagues on this subject have been making assertions which are entirely lacking in truth. Some of these assertions might be permissible on the part of persons who do not know any better; but when it comes to assertions of the kind that the hon. member repeated in his alleged question, coming from experienced members of this house like the hon. member for Essex East (Mr. Martin) and the Leader of the Opposition (Mr. Pearson) out on the hustings, it is a different matter. These assertions of theirs are insidious and utterly irresponsible.

Hon. Paul Martin (Essex East): Since the hon. gentleman has addressed himself to me in such an affectionate way, Mr. Speaker, may I ask him a supplementary question. If there is a deficit of these proportions, does he not think that deficit ought to be made known to the 100,000 electors in these four by-elections?

Mr. Fleming (Eglinton): Mr. Speaker, I cannot think of any greater service that could be rendered to the electors in those four by-elections or to the people of Canada than to know what an utter deficit the hon. member is to the Liberal party.

Mr. Martin (Essex East): I am hurt.

NATIONAL DEFENCE

PETAWAWA—INQUIRY AS TO RESULTS OF INVESTIGATION

On the orders of the day:

Hon. Paul Hellyer (Trinity): I wish to direct a question to the Associate Minister of National Defence. Will the minister advise the house whether he has yet received the report of the inquiry into the establishment and operation of the Petawawa yacht club?

Hon. Pierre Sevigny (Associate Minister of National Defence): Mr. Speaker, I have nothing to report on this matter at the present time.

Mr. Hellyer: I have a supplementary question. Will the minister take the question as notice and advise the house tomorrow?

HOUSE OF COMMONS

INQUIRY AS TO OFFICIAL REPORT FOR MAY 24

On the orders of the day:

Mr. Frank McGee (York-Scarborough): Yesterday on the orders of the day, as found at page 5296 of *Hansard,* the hon. member for Kootenay West attempted to ask a supplementary question which appears in the left hand column on page 5296. My specific recollection of the question was that it was interrupted by yourself, Mr. Speaker, about four lines before he reached the name of Major W. H. Pope, M.C., and that the last three lines of the question were not pronounced by the hon. member. I am wondering how it is that they appear in *Hansard.*

Mr. Speaker: In the absence of the hon. member, perhaps the matter could be deferred until he is present.

Mr. H. W. Herridge (Kootenay West): I am present, Mr. Speaker. If the hon. gentleman wishes to find out how it appeared in *Hansard* I wish he would go up to the *Hansard* office and find out, because I have not been there.

SUPPLY

The house in committee of supply. Mr. Flynn in the chair.

DEPARTMENT OF JUSTICE

165. Departmental administration including annual contribution of $200 to the conference of commissioners on uniformity of legislation in Canada and $167,500 as grants to recognized private after-care agencies as may be approved by treasury board, $1,194,583.

The Chairman: Department of Justice, vote No. 165. This item will be found on page 35 of the blue book, and the details on page 239.

Mr. Martin (Essex East): Mr. Chairman, I rise on a point of order having to do with the conduct of the business of this house and the estimates we are about to consider. On Tuesday last the leader of the house was asked by the hon. member for Kenora-Rainy River, following a consultation I had with him, as the hon. member for Laurier had, what the order of business would be on Wednesday. The minister replied what the business would be and indicated that today, Thursday, we would be taking up the estimates of the Department of National Health and Welfare.

Just before we terminated our day's work last evening the hon. member for Kenora-Rainy River, as will be found at page 5326 of *Hansard,* asked the leader of the house what we would do today. The leader of the house replied:

> Mr. Speaker, by special arrangement, which I hope is appreciated, we will take up the estimates of the Department of National Health and Welfare tomorrow; and on Friday we shall take up the estimates of the Department of Justice.

Then he continued and said what the order of business would be on Friday and Saturday, and that, of course, is not material. At five minutes to eleven this morning the whip of our party was telephoned, I presume by the Minister of Veterans Affairs—no; I understand it was by the government whip, and this is a new arrangement. The whip of our party was telephoned by the government whip and told that the order of business today would not be the estimates of the Department of National Health and Welfare but those of the Department of Justice.

[Mr. McGee.]

As we all know, intimations are made as far ahead of time as possible by the government as to the order of business on a particular day, and sometimes on successive days, in order to give hon. members, particularly those who are primarily interested and who have given special attention to the particular estimates or proposed enactments, an opportunity of preparing and arranging their personal affairs and public engagements. To be told at five minutes to eleven that there was a change in the order of business is obviously unfair to the private members on the government side, and such an abrupt change is eminently unfair to those in the opposition groups.

The government, of course, is master of the arrangements in this house, but unless it wishes to be guilty of the charge of tyranny by majority it must take into account the interests, the concerns and the convenience of opposition groups as well. This is a clear manifestation of the lack of regard this government has for parliament and for the opposition parties. The opposition parties, under our constitution, play a role no less important in our deliberations than that of the government. To have the whip of the Conservative party—not the leader of the house or his spokesman—call up the whip of the Liberal party and say in an arrogant way which we have now come to associate with this government, "The order of business to day will not be as announced last evening by the government, but it will be the estimates of the Department of Justice" is most unfair, and I rise in my place to protest—

Some hon. Members: Oh, oh.

Mr. Martin (Essex East): —the manner in which the public business is being handled by this government, and in particular in this instance.

Mr. Pallett: What a thespian.

Mr. Martin (Essex East): My hon. friend says "What a thespian"; I say "What a government". This is a government that is supposed to take into account the rights of parliament. They have not consulted us, as the Minister of Veterans Affairs does and has done with fairness, but we were approached in this manner this morning and told, "We shall not go on with what the minister said yesterday and what he said the day before". The whip of the party announces that we will go on with the estimates of the Department of Justice. I want to ask the government if this is a fair way in which to conduct our proceedings.

Mr. Churchill: You will get an answer shortly.

Mr. Martin (Essex East): Members of our party who were here and who are here now are interested in the Department of National Health and Welfare. Other members who have been following matters concerned with the Department of Justice have made other arrangements, as attends all hon. members in the adjustments they must make in their daily schedules. Is it fair that we should have this sudden change imposed at this time, when it is not possible for us to apply our best and most experienced skills with regards to the estimates that have been called? This is not a fair way to treat parliament.

The fact that the whip was the instrument for providing this notice causes me to suggest that this was not a decision made by the leader of the house. I cannot believe that the leader of the house, having given these undertakings, would have resorted to this kind of action. I do not believe it. I can only conclude that the whip has done so on the instructions of the Prime Minister—

Mr. Churchill: That is entirely wrong.

Mr. Martin (Essex East): —on the instructions of a man who is primarily interested in what happens on Monday.

Mr. Churchill: That is entirely wrong.

Mr. Martin (Essex East): I can only suggest to the leader of the house that this change arises out of the fact that the Prime Minister or the government, knowing that the government had been committed to bringing in the estimates of the Department of National Health and Welfare, was not anxious to have any discussion at this time in this committee about matters that might be of interest to people concerned in the four by-elections—

Mr. Churchill: Order.

Mr. Martin (Essex East): —and which are connected with health and welfare. They did not want us to discuss pensions; they did not want us to discuss matters having to do with health and welfare.

Mr. Churchill: Mr. Chairman, on a question of privilege the hon. member has risen on a point of order and is now ranging into a debate on subjects which he thinks should be discussed. The hon. member has been making attacks on hon. members in their absence, and has been indulging in personalities. I think the hon. member should restrict his remarks to the point of order.

Mr. Martin (Essex East): Mr. Chairman, this is not a point of order. What I am saying—

The Chairman. Order. I think the hon. member for Essex East has explained why he rose in his place, which was because of the change in the order of business. The hon. member has explained why he does not favour this change, and I think he has sufficiently explained his point.

I see that the hon. member for Kootenay West wishes to speak on this point.

Mr. Martin (Essex East): If you will permit me, Mr. Chairman, I have not finished.

The Chairman: I trust that the hon. member will keep to the point of order.

Mr. Martin (Essex East): I trust, Mr. Chairman, that you will allow me to finish my remarks.

Some hon. Members: Oh, oh.

Some hon. Members: Order.

Mr. Pallett: Withdraw that.

The Chairman: I recognize the hon. member for Kootenay West.

Mr. Martin (Essex East): Mr. Chairman—

Some hon. Members: Sit down.

The Chairman: Order. The hon. member for Kootenay West.

Mr. Martin (Essex East): Mr. Chairman, I have the floor and I am speaking about rights which affect us very seriously—

The Chairman: Order.

Mr. Martin (Essex East): I am speaking on behalf of our party—

The Chairman: Order. I have already indicated to the hon. member for Essex East that the Chair has a discretion in hearing the hon. member on the point of order; that is clear. I now recognize the hon. member for Kootenay West.

Mr. Martin (Essex East): I rise—

Some hon. Members: Order.

Mr. Martin (Essex East): I rise on a point of order—

The Chairman: Order. I cannot entertain more than one point of order at the same time, and I recognize the hon. member for Kootenay West.

Mr. Martin (Essex East): Mr. Chairman, I am rising on a point of order. Do you rule that I do not have the right to proceed?

The Chairman: Order. I have indicated to the hon. member that I recognize the hon. member for Kootenay West. If the hon. member persists in remaining on his feet, having heard what I have said, I shall report him to the Speaker.

Mr. Martin (Essex East): Mr. Chairman, I now appeal your ruling. You have ruled that I cannot continue with my point of order, and I appeal your ruling.

The Chairman: Order. I do not think the hon. member may appeal this ruling.

Some hon. Members: Oh.

The Chairman: I had indicated I was going to hear the hon. member for Kootenay West, adding that if the hon. member for Essex East would not remain in his seat I should have to report him.

Mr. Martin (Essex East): Are you now suggesting we do not have the right to appeal your ruling?

The Chairman: This is not a ruling which I have made. This arises on a point of order. I have not disposed of the point of order. I simply indicated to the hon. member for Essex East that I thought he had made his point and that I was going to hear the hon. member for Kootenay West on this point of order. If, later on, I think the hon. member may add something to the debate I will recognize him.

Mr. Martin (Essex East): Mr. Chairman, you asked me if I had anything further to say, and I said yes.

Some hon. Members: Order.

Mr. Martin (Essex East): Hon. gentlemen over there will not even let us make our points; then you allow another hon. member to intervene. I indicated that I had not finished making my point. If I had been out of order that could have been pointed out, but that was not the case. You have now ruled that I cannot continue and that I cannot appeal that ruling.

The Chairman: I have ruled that the hon. member was discussing something which was extraneous to the point of order. I said I thought he had made his point in what he had to say, first about the order of business and second, about the inconvenience the change was causing to the members of his party. Later I indicated that I wished to hear the hon. member for Kootenay West.

If, after the hon. member for Kootenay West has spoken, the leader of the house has something to say, and if the hon. member for Essex East wishes to reply, then it will be in order for him to speak. After all, the hon. member was discussing things which were not relevant to the point of order. The Chair may allow an hon. member to speak on a point of order but it has discretion to intervene in the discussion, to close the debate or to hear another member. That is the final point I made.

[The Chairman.]

(Translation):

Mr. Caron: I want some information, Mr. Chairman. Which standing order provides that the Speaker or the chairman can silence an hon. member who has not completed his statement on a point of order?

I think I am entitled to an answer on that matter.

The Chairman: The hon. member will realize that I have not recognized him.

Mr. Caron: No. I rise on a question of privilege concerning every member of this house. Which section of the standing orders does the chairman take as a basis to silence an hon. member who is raising a question of privilege?

The Chairman: The point is clear. If the hon. member will let me consult the standing orders, I shall let him know the number of the standing order in a moment.

In the meantime, so that we will not take the time of the house, I recognize the hon. member for Kootenay West.

(Text):

Mr. Herridge: Mr. Chairman, I intend to be brief, but I wish to support the hon. member for Essex East. He mentioned while speaking on the point of order that the Conservative party whip notified the Liberal whip of this change at five minutes to eleven. I was notified of the change by the whip at 11.25. My first point is that I do not like the assumption made by the whip of the Conservative party that this group is running 30 minutes behind the Liberals.

Members plan their work for the next day, both in the house and in the committees, and it is very important, particularly in view of the circumstances under which we now have to work, that these plans should be on the firmest basis possible. On account of the inconvenience caused by this change at very short notice I wish to protest strongly on behalf of this group with regard to these last minute changes in the arrangements for business on the orders of the day.

I think the committee is entitled to an explanation. Decisions of this kind should only be made in situations of extreme urgency when altogether unexpected developments take place. I hope the leader of the house will give an explanation. We in this group would like the leader of the house to give us far more information than we have received this morning with respect to this change in the order of business.

Mr. Churchill: This is an unfortunate and unexpected change in the business of the house, but once in a while unexpected changes do occur. As to the question of how the notice was passed to members on the other

side of the house, that is immaterial. In my instructions I asked the whip if at the earliest moment he would convey to members of the other side of the house the information about the change in the program. I myself was tied up attending to matters which are of great concern to members opposite. They are continually asking questions about legislation which will be brought before us. I was engaged in pressing on with the preparation of certain bills which will come before the house next week. The only possible way to continue my work and still get the message conveyed to those on the other side of the house was to ask the whip to convey that message, which he did.

On other occasions when a change of business has unexpectedly arisen I have endeavoured to inform the house immediately at the opening of the sitting. Unfortunately it was impossible for me to be present here when the Speaker called the house to order. I was hoping I would have an opportunity now to make an explanation before a complaint was lodged, but I was not given that opportunity. I want to make it perfectly clear that the change was made when I received a message from the Minister of National Health and Welfare saying it would be impossible for him to be present today. I then instructed the whip to pass that information to hon. members on the other side.

On the question of notice of business, an indication was read out to us that certain business had been announced for today. That is true. Each week—and this has been going on now for two sessions—I have changed what was the practice in years gone by and tried to keep the house informed a week in advance as to the business which would be before it. I think most hon. members have found this arrangement very convenient.

From time to time I have been asked by members on the other side to change the order of business. By far the most convenient order of business for us this week would have been that which I announced on Friday night, when I said we should carry on with the estimates of the Department of Transport followed by those of the Department of Justice. That would have suited us perfectly. But at the wish of the hon. member for Laurier I was asked to postpone consideration of the estimates of the Department of Transport, which could not be done without great inconvenience to us. However, after some consideration, and after discussing the situation with the hon. member for Laurier, I consented to make that change.

This involved a whole series of changes. Then, having decided to go ahead with the estimates of the Department of Justice instead of the Department of Transport, I was met with a request by the hon. member for Essex East to bring on the estimates of the Department of National Health and Welfare today. I said that would be impossible, that we preferred to call them, perhaps, on Saturday. But, no, the hon. member said he was going to be away Friday and Saturday.

Mr. Martin (Essex East): You are the one who altered it. You ought to be ashamed.

Mr. Churchill: I said we might make an arrangement, depending on how we proceeded with the bill which the Minister of Justice was putting before the house yesterday, and I made a further suggestion that we should carry on with that bill today, which we would have preferred to do, interrupting the business at 7.30 tonight in order to begin consideration of the estimates of the Department of National Health and Welfare for the convenience only of the hon. member for Essex East. But that did not suit him.

I then consulted with my colleagues, and we thought it might be possible to carry on as I announced last night. However, I had to make a further change in the program for the week because of the illness of the Secretary of State, whom I expected would be present. I have no control over these things happening, such as individuals being called away unexpectedly. Often members of the opposition are called away, perhaps unexpectedly, and the house has to adjust to the situation.

As far as preparation is concerned, weekly notice is given, and has been given every week since this session started. The estimates have been before the house since the book of estimates was tabled in January, and it is strange to me that individuals are not prepared to go ahead with the subject indicated. In any event, the estimates of a department do not often reach completion in the course of one day, and there is normally an opportunity for absent members to enter the debate at a later stage. This situation exists quite often. That is the explanation I have to make in respect of what happened today.

Let it be quite clear that I very much regret not having been able to inform hon. members of this change earlier, but I had not received the information in time to do so. Because I was engaged myself in very important business, I asked the whip to be the messenger. That is something which also happens often in this house. The whip is continually discussing these changes in the program with the whips of the parties on the other side, and I suggest it is nonsense to say that is not a proper way of conveying a message. Under normal circumstances I should have telephoned the house leaders of

the two other parties myself to convey this message, but it was impossible for me to do so. There is nothing abnormal about this situation, except that it has come as a bit of a surprise to this house. However, I feel the house is equal to the situation.

In so far as dealing with the estimates of the Department of Justice is concerned, this was forecast last week. I presume that members on the other side are prepared for the consideration of these estimates today. In any case they perhaps will not be completed today, so that hon. members who are absent will have the opportunity of dealing with them at a later stage.

If this house would prefer, we can go back to the consideration of the Department of Transport estimates today, which is what we originally wanted in view of the fact that we had spent three and a half days on those estimates to date, and it was felt that perhaps we could wind up the consideration of those estimates today. However, to accommodate hon. members on the other side who had made other arrangements, and because we unexpectedly had to change the program, I think it will be generally agreed that this is all that could have been done under the circumstances.

Mr. Martin (Essex East): Mr. Chairman, I have listened with interest to what the minister has said in explanation, but in the absence of further information it is difficult to understand this sudden departure of the Minister of National Health and Welfare, and why this change could not have been known to the house before the closing hour last night. However, to be informed at five minutes to eleven, whether it be through the whip's office or by the minister himself, that the order of business for today was to be suddenly changed is not in keeping with our practice nor with the way the hon. gentleman, as leader of the house, has personally sought to conduct the business of this session in collaboration with opposition groups. The fact is, however, that opposition groups have made particular preparations, and it is not fair to the proper discussion of the public business to have this sudden change made, in view of the absence of certain hon. members because of arrangements previously made.

The hon. gentleman stated that the arrangement to consider the estimates of the department of health and welfare today was made to accommodate me. I readily acknowledge that the leader of the house did accede to the suggestion of the hon. member for Laurier that, as I could not be here on Friday—there was no suggestion that I would not be here on Saturday, and I will be—and perhaps in view of the fact that I had formerly been in charge of the Department of National Health and Welfare, the estimates of that department could be brought on today. The minister acceded to that request, which I readily acknowledge, and I personally expressed my gratitude to him at the time. But that is not the issue. The fact is, the house was informed that it would be dealing with the estimates of the Department of National Health and Welfare today and not those of the Department of Justice, and that it would not be considering the estimates of the Department of Justice before Saturday.

Mr. Fulton: Friday.

Mr. Martin (Essex East): Friday; the Minister of Justice properly corrects me. Mr. Chairman, we have spoken with some heat this morning because this change seriously affects arrangements the opposition parties have made for its scrutiny of the estimates. Under our parliamentary system the house cannot properly scrutinize the estimates unless there is participation in that scrutiny by those who sit in opposition. I suggest that is clear under our system. If the government wishes to railroad these things through—

Mr. Churchill: No, no.

Mr. Martin (Essex East): —there is nothing we can do to stop it. The Prime Minister looked at me very crossly a few moments ago and I returned that look with one of equal concern, because I place on his shoulders, as Prime Minister and leader of this house, the responsibility for the proper conduct of the business of this house, and we have not had that conduct from this government this session.

Mr. Diefenbaker: Mr. Chairman, I do not wish to enter into a controversy, but I understand that the hon. gentleman, while I was absent—which of course is not unusual for him to do—made an observation, suggestion or insinuation that because the communication was made through the whip I had communicated with the whip. May I say to him, that was unworthy of him.

Mr. Martin (Essex East): Nonsense.

Mr. Diefenbaker: That was very unworthy of the hon. gentleman.

Mr. Martin (Essex East): You do it all the time.

Mr. Diefenbaker: I did not interrupt the hon. gentleman while he was speaking, and I should hope he will accord me the same courtesy, unless he has a question to ask.

Situations necessitating this kind of change have arisen quite frequently in the past. During the time I was in the opposition things sometimes took place which made it impossible

to proceed with the announced business of the house. While I realize that there will always be inconveniences involved, the fact remains that hon. members have known for the last week or more that the estimates of the Department of Justice were coming up for consideration. The change yesterday was made to accommodate the hon. gentleman. As circumstances have developed, it is impossible to proceed in that direction today. In the absence of hon. members opposite—

Mr. Martin (Essex East): May I ask the Prime Minister a question?

Mr. Diefenbaker: Just a moment.

Mr. Martin (Essex East): The Prime Minister asked me if I had a question.

An hon. Member: Sit down.

Mr. Diefenbaker: Just one moment. I am surprised to find that the hon. member opposite who was to deal with the estimates of the Department of Justice is among those who are absent.

Mr. Martin (Essex East): Oh, no; he is here.

Mr. Diefenbaker: He is here? Oh, well, I thought possibly the hon. member who was going to deal with the estimates of the Department of Justice was not here. That not being so, this whole situation becomes another tempest in a teapot. I thought possibly the hon. member for Bonavista-Twillingate was going to deal with the estimates of the Department of Justice, he being the expert on the law. I am sorry, and beg your pardon; I should have known better than that. In view of the presence of the hon. member of the opposition who will deal with those estimates, and because hon. members opposite have known since last week these estimates were coming up for consideration, there can be no discomfiture. As to the railings and rantings that have taken place, I suggest that sometimes the railings of the hon. member for Essex East are—

Mr. Martin (Essex East): They are getting under your skin.

Mr. Diefenbaker: May I say this—

Mr. Martin (Essex East): They are beginning to worry you.

Mr. Diefenbaker: The hon. member for Essex East has tried over and over again to leave the impression that things are being railroaded.

Mr. Martin (Essex East): That is true.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: He got two supporters that time.

Some hon. Members: Hear, hear.

Mr. Martin (Essex East): You are going to lose four on Monday.

Mr. Diefenbaker: The hon. member is working himself into a state of synthetic annoyance. However, let me say that these situations arise from time to time, and there is no reason whatever why we should not proceed with the estimates of the Department of Justice, in view of the opposition expert, who can now speak with authority being present.

An hon. Member: Who is he?

Mr. Diefenbaker: Let us now get on with the business of this house. Changes are made from time to time when circumstances arise making it impossible to follow the announced program. However, the suggestion that these estimates are being pushed through is absolutely false. As a matter of fact, we are taking much more time in respect of the estimates than is ever taken in any other democratic parliament within the commonwealth. The opposition is given all the time it desires in asking helpful questions, but the repetition is continuing. Let that be; that is the function of the opposition. However, the government's function is to get on with the business, and to try to secure the approval of the house in respect to the estimates. If there is any item in the justice estimates in respect to which an hon. member will rise and say that with some expert now absent, for some inexplicable reason the house will be able to deal with it in a manner that will assure the fullest investigation, and without whom it cannot, that item can be postponed in order to accommodate. Let us get on with the business.

Mr. Martin (Essex East): May I ask the courteous Prime Minister a question? Would he tell the house why he could not have extended to opposition parties the courtesy of advising them before five minutes to eleven that there was going to be this change, when as a result of not doing so all the government was doing was putting a gun at the opposition's head?

Mr. Diefenbaker: I do not know what good it would do to put a gun at the hon. gentleman's head. There would be no damage done in any event.

Mr. Martin (Essex East): What a wonderful reply. What a dignified Prime Minister.

Mr. Diefenbaker: I must have hit the target. I simply point out that the explanation has been given by the house leader. Let us get on with the business.

Mr. McIlraith: I should like to ask the house leader a question, and I might add that his remarks were relevant and he did try to be courteous to the house. What was the reason for the delay in communicating the change in plans for today? After the decision was taken to change from health and welfare to justice, what was the reason for the delay in communicating that decision to the opposition?

Mr. Churchill: I said earlier I did not get the information myself until nearly eleven o'clock. I immediately got in touch with the whip, and as soon as he appeared I asked him to relay the message.

Mr. McIlraith: I want to thank the minister for giving the explanation, an explanation that was not given before.

Mr. Habel: On a point of order, Mr. Chairman, I think it is my duty to be fair to the chief government whip. I imagine that he did what he thought was right. He certainly called me as soon as he got the news, but I could not do otherwise than advise my leader today of what had taken place. I am not blaming the whip for it at all. I think the government is to blame.

The Chairman: For the information of the hon. member for Hull I would refer him to standing order 34, where it is indicated that Mr. Speaker may permit a debate on a point of order. This has always been interpreted to mean that if he may permit debate he may also interrupt or end it. It has been the constant practice in the house for the Speaker to do so when in his opinion he has heard enough to be able to rule.

Second, the point of order raised by the hon. member for Essex East was not, of course, a point of order in itself because standing order 18 (2) provides:

> ...government orders may be called in such sequence as the government may think fit.

I have allowed expressions of regret for half an hour, and I think we should now proceed with the business of the house.

Mr. Pallett: If I may have your indulgence for one minute, Mr. Chairman, I should like to say something with respect to the comment of the hon. member for Kootenay West as to the time he was notified. I would advise him that I got in touch with the office of the leader of the new C.C.F. party and he was not there. I then endeavoured to get in touch with the hon. member for Kootenay West and there was no answer on the telephone. The office of their whip also did not answer. I waited until after the welcome to our distinguished visitor, because I thought the hon. member might wish to prepare notes, depending on what had been said before, and he was informed immediately after that. I thought that in courtesy to him he should know the sequence of events.

Mr. Martin (Essex East): Thanks for the courtesy to me, too.

Mr. Herridge: I accept the information in good spirit. I was in the veterans affairs committee prior to that time.

The Chairman: Shall vote 165 carry?

Mr. Martin (Essex East): No, Mr. Chairman, let us discuss it.

Mr. Eudes: Is the minister going to make a statement?

Mr. Fulton: No, Mr. Chairman. It has not been customary to make a statement on the first item of the Department of Justice, but for the information of hon. members I might say that it is my intention to make a statement by way of a progress report on the first item of the penitentiaries branch, and I shall probably have something to say on the first item of the Royal Canadian Mounted Police estimates.

(Translation):

Mr. Eudes: Mr. Chairman, the impression we get from the estimates brought down by the Minister of Justice for the fiscal year ending March 31, 1962, is that of a marked increase in that department's expenditures over the past few years.

At the moment, we are called upon to vote estimates totalling $33,481,664. During the last fiscal year, the committee approved an expenditure of $28,328,287 for the same services, that is $5,153,377 less than this year. In other words, this year's estimates are slightly more than 18 per cent higher than last year's.

In 1957 when this department's estimates were examined by a special committee, parliament authorized the then minister to spend $18,615,230, namely $14,866,434 less than this year.

That means that the estimates we are asked to approve are 75 per cent higher than those voted by the house in 1957.

We would understand and agree if the increase in this year's estimates over those of 1957 were proportionate to the salary increases granted by the civil service commission, to the increase, since then, in the number of judges of the various federal courts and to the additional expenditures incurred by the implementation of certain recommendations of the Fauteux commission, like the ones concerning the national parole board, to the improvement of a few of the existing penitentiaries and the construction of a few new penitentaries.

But those items—the national parole board, the penitentiaries and the various federal courts, come under a different heading in the estimates now tabled by the minister.

If you consider the item before us, dealing with departmental administration, you find that the minister is asking the committee to vote an amount of $1,194,583, or $250,346 more than last year, an increase of close to 30 per cent.

In 1957, for the same item which was then numbered 166, the then minister asked the house to vote the amount of $513,658, or $680,925 less than what the minister is asking for now. For this item alone, the expenses anticipated by the minister for the current fiscal year are therefore 130 per cent above those incurred in 1957.

The administration of the Parole Act and the penitentiaries service show increases of $79,503 and $4,443,532 respectively, which makes a total of $4,523,035, or 20 per cent more than last year. Those two services will cost the taxpayers, for the current fiscal year, the sum of $24,687,224.

Last year, for those two services, the Department of Justice had been voted a total of $20,164,189.

In 1957, this committee had voted appropriations of $186,585 and $11,514,643 respectively for those two services, a total of $11,701,228, or less than half what we are now asked to vote.

Faced with this impressive and rapid increase in the votes asked by the Minister of Justice, we are forced to recall the criticism the Conservative party used to make when they were in the opposition and their promises to the electorate in 1957 and 1958, that, once elected, they would cut each department's expenses and would follow a policy of strict economy to reduce the taxpayer's burden.

As the elected representatives of the people it is our duty to check the use which is made of the money the people pay daily through taxes and to ask ourselves whether the people get out of this increase in government expenditures, advantages which are equivalent to the sacrifices they have to make, and, finally, whether those funds are used in accordance with the principles of efficiency and thrift we can rightly expect the government to follow.

This obligation brings us to make a closer and more accurate examination of the items included under the heading "Departmental Administration."

Thus, we find that we now have five people, instead of three last year, who hold the ranks of deputy minister, associate deputy minister or assistant deputy minister.

Even though I have no intention of criticizing the salary paid to any one of those people, I notice that the total expenditure under this heading for the current year is $92,500 whereas, in 1957, the salaries of that category of officials cost $65,000. That means an increase under this item, for this year, of $27,500, or approximately 40 per cent.

The number of the department's advisory counsel which totalled 31 in 1957, has gone up to 40 since last year. That item entails an expenditure of $353,360 in salaries whereas, in 1957, this item was $176,220; that is an increase of 100 per cent.

In 1957, the then minister and the solicitor general had on their staff a private secretary and two executive assistants, which cost the public the sum of $19,000.

Today, the Minister of Justice and the Solicitor General are assisted in the dispatch of their work by a private secretary, an executive assistant, a special assistant, an associate private secretary, a private secretary to the Solicitor General, an assistant private secretary and an executive assistant to the Solicitor General, which means a staff of seven instead of three in 1957 and a cost of $50,480 a year; this is an increase of $31,480, or 160 per cent, over 1957.

In 1957, the Department of Justice had two administrative officers and one technical officer, and their salaries came to a total of $14,170.

This year, the same department has seven administrative officers and seven technical officers, and the taxpayers have to pay those people in this fiscal year, an amount of $58,180, or an increase in expenditure of over 300 per cent under this item.

I will not take the time of the committee by making a detailed review of every item under this vote. It is enough to say that in 1957 about 109 employees came under this central administration vote, with salaries to an amount of about $460,000. This year, the minister put under this vote 157 civil servants and he now asks for an appropriation of $910,983, or about double the amount provided in 1957.

The increase in personnel that I have just mentioned requires necessarily an increase in personnel in other departmental branches.

The number of clerks, secretaries of those high officials, stenographers, typists, messengers, which was 68 in 1957 reaches 96 this year.

Auxiliary expenditures have also gone up accordingly, for instance, those for professional and special services, travelling expenses, telephone, telegrams, publications, stationery, books, etc.

In 1957, these auxiliary expenditures amounted to $52,000. This year, they total $146,000, or an increase of almost 200 per cent.

In the figures I have just mentioned are included, of course, statutory salary increases authorized by the civil service commission.

Nevertheless, the personnel of this section of the Department of Justice, that is the departmental administration, has increased to such an extent that it can only be justified by a proportionate increase in the duties and the tasks assigned to it by the minister, and that increase in work must, in turn, be assessed according to its necessity and its efficiency.

I should like to read now, if I may, without commenting on them—comments are not required anyway—the three following excerpts, the first from a report on a meeting held in Truro, Nova Scotia, published in the May 2, 1957 issue of the Toronto *Telegram*.

(Text):

The Conservative leader told an overflow meeting that a Tory government would drastically cut government expenditures and give relief to long-suffering taxpayers.

(Translation):

The second excerpt from the London *Free Press*, which was published on the occasion of a meeting held on June 7, 1957 at Woodstock, reports the following statement by the present Prime Minister:

(Text):

The Conservative party in the house had insisted that the government itself first of all should reduce the high cost of big government.

(Translation):

And the third item, from the Ottawa *Journal*, reporting an interview granted by the Minister of Finance (Mr. Fleming) on June 26, 1957, says this:

(Text):

Finance Minister Fleming told the *Journal* today that he is declaring war on waste and extravagance... Thrift is a virtue of individuals as well as of nations and governments.

(Translation):

I shall let the members of this committee draw their own conclusions.

I now have a few brief remarks to make in regard to those who are generally called the top officials of the Department of Justice, that is, those who enjoy the confidence of the minister and who, because of their experience and ability, are called upon to advise him in his important function. I mean, for instance, the Solicitor General, the deputy minister, the two associate deputy ministers, the two assistant deputy ministers, the executive assistants, the private secretaries, the assistant secretaries, the legal advisers, the administrative and technical officers, as well as the heads of the various branches.

Those high officials help the Minister of Justice solve the many legal issues which are submitted to him by the various other government departments.

The Minister of Justice is, in fact, the legal adviser of his cabinet colleagues and, sometimes of the provincial legislatures on these matters.

The advice of those high officials is therefore sought whenever the government intends, for instance, to amend the Criminal Code, the Bankruptcy Act, the Unemployment Insurance Act, the Patent Act, and in general, in respect of any bill submitted to parliament.

All those bills, are necessarily more or less directly connected with civil law.

However, the province of Quebec has a civil law of its own, which differs substantially from that of the other provinces, and which, needless to say, is a most highly prized part of its heritage.

I am not in any sense suggesting that those officials, in discharging their duties, fail to take cognizance of this peculiarity of the province of Quebec in their advice to the minister. However, this peculiarity logically calls for a reasonable representation, within this group of officials, of people steeped in Quebec civil law.

Last year, there was one deputy minister from the province of Quebec out of three. This year, out of five deputies, only one seems to be from the province of Quebec.

Similarly, out of five members on the national parole board, only one seems to be from the province of Quebec. The same remark applies to practically every division of the department.

It seems to me that in the discharge of such important duties, particularly in view of the complications arising from this peculiarity of Quebec civil law, the task of these officials, and hence that of the minister, would be made easier and more effective if there were a more adequate representation of people thoroughly trained in the civil law of that province.

I have just referred to the national parole board.

I am pleased—I had raised this question in the house on April 22 and June 18, 1959—that the minister has accepted the recommendations then put forward by the associations particularly interested in the rehabilitation of criminals of the female sex, to the effect that a woman be appointed to that parole board.

The female inmates in our penitentiaries, while they do not represent a large proportion of the total number of inmates, nevertheless are increasing in numbers year by year, and surely they need, with respect to both detention and rehabilitation, a treatment different from that which is applied to the male inmates.

Miss M. L. Lynch will, I have no doubt, be of effective assistance to her colleagues on that board in this particular aspect of the important social problem of rehabilitating criminals of the female sex.

Since the end of last war, especially, crime in every shape and form has been on the increase to a frightening degree in all countries and such outbreak often attended by violence has caused persons who generally remain indifferent to social problems which do not concern them personally, to revolt against it.

Public opinion has been alerted. Sociologists, moralists, criminologists, public officers, the people's elected representatives are considering the problem.

In this connection the third biennial Canadian congress of corrections was held in Toronto from May 14 to May 19 last.

That interesting meeting shows the importance being attached today to the problem raised by the criminal in society and it will be of valuable help in finding a solution.

According to the program, on Wednesday, May 17, Mr. George McLean presided over a discussion on information or communications of an administrative nature. The man is introduced in the following terms: Information Representative, Department of Justice, Canada.

But what seems strange to me, is that nowhere in the government telephone book, under any division of the Department of Justice could I find the name of that Mr. George McLean.

If he is not an employee of the Department of Justice, why was he described as "Information Representative, Department of Justice, Canada". I wonder if the department has paid him representation expenses.

After that digression, I should like to come back to the serious and difficult problem facing society and the government, because of the increased number of crimes.

Following extensive and objective studies in several countries, it has been found that there is a tendency to consider criminals in a more humanitarian light.

Criminals are seldom considered nowadays as reprobated and repugnant human beings to whom, on account of their crimes, must be meted out exemplary punishment.

More and more the tendency is to examine criminals in their psychic and psychological behaviour, instead of merely banishing them from society.

So people wonder why, among so many human beings possessing in general the same moral and physical faculties, living in an almost identical environment, subject to the same difficulties, one of them should become guilty of an act for which the court will condemn him to reclusion for years, in a penal institution.

Personally, I think a criminal, even for his first offence, does not deserve absolution without penance. Besides, our judges, in the case of first offences, show much understanding and humanity toward the accused.

Most of the time, sentence is deferred in order to give the judge a chance to consider the accused under the circumstances which have surrounded his criminal act and his conduct up to that time, precisely in order not to punish him harshly but to impose upon him the fair punishment he deserves.

May I call it one o'clock, Mr. Chairman?

(Text):

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

(Translation):

Mr. Eudes: Mr. Chairman, before the house took recess, I was speaking about the upsurge in the incidence of crime and of the growing tendency to look upon the criminal from a more humanitarian angle.

In this respect, however, we must take care that our humane feelings do not lead us to

the other extreme, i.e., mawkish sentimentality. Even in the case of his first offence, the criminal must be considered as a malefactor towards his victim, though he himself may only too often be considered as a victim of society, in the widest sense of the word, for instance through lack of family education, or a deficient family education, and, therefore, because of bad examples in his family surroundings, without the necessary correctives; he may be so as a result of lack of understanding on the part of a teacher or employer, with a resulting attitude or rebellion against any authority or persons considered superior; or again he may be a victim because he cannot earn a living by his own work and according to his abilities and needs, which again is a cause of resentment against society as a whole. After he has served his sentence, the criminal tries to reinstate himself into society. It is at this point that society must play its part, accept him into its ranks, and give him employment as soon as possible. Otherwise, if he remains out of work, he will turn again to crime, convinced as he will be that he has to live outside the pale of society.

Unfortunately, it seems that, in spite of the activity of the national parole board no progress worth mentioning is apparent with regard to the rehabilitation of criminals or their reintegration into a normal life within society.

That remark is based on the last report submitted to the minister by the penitentiaries commission.

The report reveals that, on March 31, 1960, the total number of prisoners registered in the penitentiaries was 6,344. Judging by the sentences meted out every day in the courts, I think this number must have increased since.

(Text):

Mr. Fulton: Mr. Chairman, I wonder whether the hon. member would permit me to interrupt and say that if he wishes to make some remarks on penitentiaries at this stage. I will not seriously object, but I indicated that I intend to make a statement on penitentiaries when we reach that item, at which time I expect we will have a discussion related primarily, if not exclusively, to penitentiaries, so I wonder if his remarks would not be more appropriate then.

Mr. Eudes: Mr. Chairman, I am not talking on penitentiaries; I am talking on crime in general, but I am using statistics which are important.

[Mr. Eudes.]

(Translation):

Mr. Fulton: I understand.

Mr. Eudes: I therefore have no doubt that following the many sentences meted out each day in our courts of justice, the number of those criminals will have increased since then. From this number we have to deduct the criminals who have avoided arrest.

The same report notes a general and steady increase, since 1956-57, in the number of admissions to penitentiaries. The St. Vincent de Paul penitentiary has set a sad and regrettable record in this respect, with an increase of 435 compared to the previous year.

A fact which makes us think and which motivated my earlier remarks is that out of this total of prisoners, 1,186, i.e., 18.69 per cent are serving a first sentence. We may therefore gather, which is more deplorable still, even if we consider the previous record, that 5,158 of all those prisoners were at that time habitual offenders, in the appalling proportion of 81.30 per cent.

During the year ending March 31, 1960, 3,403 prisoners were sent to the penitentiaries, 1,468, or 43 per cent, of them being habitual offenders.

On page 16, paragraph 47, the same report notes that the influence of the national parole board has been felt to a marked degree, for, by virtue of the parole board act, 1,427 prisoners were discharged, compared to 839 during the previous year. Now, during the same period, 1,468 habitual offenders were sent back to the penitentiary. It might therefore be interesting to know how many of the 1,427 discharged prisoners are today leading a normal life and have not, since their discharge, been brought again before the courts under some criminal charge.

Another revealing fact which may give a better idea of that dark and gloomy picture of crime, is found in paragraph 52, page 17, of the said report where is is said that 776 prisoners among the 3,403 incarcerated during the year ending March 31, 1960, were under 21 years of age, that is 23.28 per cent, which represents an increase of 124 compared to the previous year. Among those 776 inmates under 21, a total of 401 which means 50 per cent, are habitual offenders.

This completely objective examination of the criminality situation in this country, based on official statistics which do not include the number of inmates of prisons under provincial jurisdiction, warrants some serious reflection.

Not one of us, I presume, remains indifferent when, in reading his newspaper every morning, he finds the lengthy account of the crimes committed the day before.

I do not claim to know the causes of this constant rise in criminality, but while I am no specialist in the field, one can accept without fear of error the theory that the criminal is not alone responsible for his crime.

Every day we hear of accused people who, having either pleaded guilty or been found guilty, are asked by the judge "But why have you committed this crime for which I have to sentence you to so many years in prison?" And they reply: "It is because I was led to it".

Indeed, many factors can lead to crime: defective home education, bad examples from parents, bad literature or movies, the failure of society to provide means of earning a living, and on the other hand, the inexplicable ease with which one can obtain weapons, the unconcern of society and even its refusal to assist in the rehabilitation of the criminal.

I am reminded of the case of a federal civil servant who was dismissed after years of loyal and competent service, when it was discovered that some ten years before, he had been found guilty of shattering a store window with intent to steal.

As to movies, despite the constant efforts of the various organizations which, across the country, are concerned with morality and particularly with the problem of criminality, it is astonishing to see the number of pictures using as their theme either crime or gunfights.

In fact, those movies are advertised in the newspapers and on movie house billboards, with pictures always showing as the centre of attraction an actor holding a revolver in his hand. Even if those pictures do not glorify crime, they seem to revel in its detailed exposure and in showing the many uses to which firearms may be put. In many cases, they may be regarded as a kind of finishing course for budding criminals. Their suggestive pictures—we all know the influence of pictures—cannot but leave a damaging imprint on the minds of the young.

In that regard, television networks, whether of the C.B.C. or not, surely deserve no compliment. There is no doubt that close to four pictures out of five which are shown in our homes through television display a hero, good or bad, who packs a pistol.

While each one of those pictures may not be immoral in itself, the repetition of fights, battles and killings can only have a bad influence on young minds.

The same remarks also apply, of course, to comic strips published daily in most newspapers.

(Text):

The Acting Chairman (Mr. Chown): Order. I am sorry to have to inform the hon. member that his time has expired.

Some hon. Members: Go on.

The Acting Chairman (Mr. Chown): Is it the pleasure of the committee that the hon. member be allowed to continue?

Some hon. Members: Agreed.

Mr. Eudes: I wish to thank the members of this committee.

(Translation):

Thus—unconsciously perhaps, for the purpose of making money—a climate is created which gives the impression that crime is easy, less odious, and that the use of firearms is normal and practically necessary in society.

The publicity given each day in the press to crimes which have been committed the day before certainly does not help to improve that dangerous climate either.

I understand that the duty of the press is to inform the public but there is a certain difference, which newspapers disregard too easily, between keeping the public informed and giving detailed descriptions of crimes.

Allow me to give you an example to illustrate the power of bad example.

A few months ago, the newspapers reported that a Montreal bank manager had received a telephone call threatening to kill him and his family if he did not leave a certain amount of money at a set time and place. The scheme worked, but on account of the ensuing publicity, it was tried again several times without the same results.

In this regard, I feel the committee would be interested in learning from the minister what consideration was given to the brief submitted to him by the chiefs of police association of Canada asking that use of the telephone to threaten, insult or annoy other people be considered as a crime punishable by law and subject to severe punishment.

According to experts in that field, one of the main causes for the increasing number of crimes and their increased violence is the ease with which firearms can be obtained.

Without those arms, there would be practically no crime.

Mr. Justice Wilfrid Lazure, president of the court of Queen's bench, in Montreal, and a foremost authority in criminology, said that

his 20 years' experience as a judge of a criminal court led him to believe that at least 75 per cent of the crimes are caused by the use of firearms.

On the other hand, Montreal police officers have stated that, in that city alone more than 2,000 shady characters are unlawful owners of firearms and that each of them is a constant threat to the public.

How many other persons are legally in possession of a firearm whose necessity is highly questionable, and how many crimes would have been avoided if their author had not been in possession, even lawfully, of one of those firearms?

I cannot understand how, despite the strictness of the law, despite the minute precautions prescribed by legislators as regards the manufacture, sale, use, exchange, loan and even repair of those arms, all those bandits are able to secure them.

I have been told that many of those small arms have been sold by the crown assets disposal corporation after having been declared surplus by the Minister of National Defence and many of which came especially from the air force.

I wonder whether it would not have been a better plan for the government to store those dangerous weapons instead of putting them into circulation.

Anyway, either the law is not strict enough, and I wonder how it could be made more stringent, or it is not properly enforced.

That question was brought up on June 30, 1959, when the Criminal Code was amended, and again last year, on June 30, 1960, when the estimates of the same department were before us.

According to page 5619 of *Hansard* for June 30, 1960, the minister stated:

> The problem of firearms generally is a large, important, urgent but very difficult problem, and I have given instructions to my department and to the R.C.M. Police to review this matter, to prepare tables of what amendments might be made to the Criminal Code that would be of assistance in dealing with the sort of situation about which people are concerned in Montreal, and to give me those papers, at which time I will study them and hope to make a reference to the conference of commissioners on uniformity, and have their consideration this fall, and after consideration report back to the house again at the next session.

On Tuesday May 16, 1961, answering a question put by my colleague the hon. member for Maisonneuve-Rosemont (Mr. Deschatelets) concerning that matter, the Minister of Justice said:

> I do not think I will be in a position to introduce amendments relating to this matter at this session. There are discussions and studies under way at the moment concerning the whole question of the control of firearms, but I do not expect they will be completed in time to make possible the introduction of amendments at this session.

In view of the urgency and gravity of this problem, the delay is extremely regrettable.

During the studies that are under way in order to amend the provisions of the Criminal Code in relation with firearms, perhaps the minister would consider adding a section which, if it had existed, would have prevented the murder of constable Marcel Lacombe, of the Montreal police force, on May 5, last.

This constable was shot point-blank, at police headquarters. His murderer, on the preceding April 18, had been arrested for illegal possession of the very arm with which he killed constable Lacombe.

This 17-year old murderer had previously appeared before the welfare court, then was referred to welfare agencies, who tried to no avail to help him.

Arraigned in magistrate's court on April 18, he pleaded not guilty and was released pending preliminary inquiry. When he failed to appear at this inquiry, an order to appear was issued against him.

Arrested once again, he came back before the court which found inadequate the evidence in support of the charges of illegal possession of a firearm.

Once released, he insisted on regaining possession of his arm which, in fact, was given back to him the following day. And it is with this very arm that a few days later he killed constable Lacombe.

The Criminal Code could perhaps include a specific provision allowing a judge, at his discretion, even if he releases a man charged with committing a crime or attempting to commit a crime with an offensive weapon, to order final confiscation of the weapon, to annul the accused's permit to carry a firearm and make it impossible for him to renew his permit.

The minister might also consider the possibility of amending the Criminal Code with regard to drugs in general and barbiturates in particular.

I understand that his colleague, the Minister of National Health and Welfare (Mr. Monteith) will soon introduce in this house a report on this urgent matter. Indeed, the seriousness of the present crime wave and the number of upheavals in penitentiaries are certainly due to the use of barbiturates.

Under present legislation, legal proceedings for the use of narcotics must be taken under chapter 201 which comes under the Department of National Health and Welfare.

The crimes listed in that chapter are of a restricted and limited nature.

I would therefore ask the minister to consider the possibility of amending the Criminal Code so as to make it an offence to use those barbiturates and narcotics. Such an amendment would enable law enforcement officers, whatever their jurisdiction, to fight more freely this evil which is so dangerous for society.

Finally, before I conclude my remarks, I should like to draw the minister's attention to another important question which was mentioned several times in this house but especially on June 18, 1959, by my colleague from Papineau (Mr. Meunier), during the debate on the same department's estimates.

I am referring to the appearance on the market, during the past few years, of those trading stamps which affect the unwilling consumers who use them more and more every day and which the Criminal Code has been unable to prohibit because it could not foresee their existence.

The well founded representations which the Canadian consumers' association made to the Prime Minister (Mr. Diefenbaker) and to the Minister of Justice makes you wonder.

Those trading stamps are nothing but a sham. Calculating the number of stamps he needs to get the premium, the article described in the catalogue, the consumer no longer stops to ask himself if he needs the product he is buying; his sole ambition is to collect the required number of stamps. He does not realize that this premium he is coveting, it is he, the consumer, who is paying for it; it is he, furthermore, who is paying for the printing costs of those stamps, publicity and other intermediate operation costs of that gigantic enterprise, all of which add to the price of the article he is buying, most of the time without any necessity, but only to have more stamps.

Such practice is certainly not in keeping with the spirit of the law. It offers unfair competition to the small retailer and is an important inflationary factor in our economy.

In January 1960, to the representations made by the Canadian consumers' association, the government replied that it was awaiting a decision on a specific case before taking any position on the matter.

That test case was decided by the supreme court in both suits against Loblaw Groceterias Co. Ltd., and David Thompson (Niagara I.G.A. Grocery) by the attorney general of Manitoba. The supreme court rendered a decision indicating that under the present wording of the Criminal Code the use of those premium stamps was permitted.

Therefore the time has come for the department to indicate the position it intends to take in this connection.

Finally, it would be most interesting to know the reaction of the minister at the results of the poll recently conducted by the newspaper *La Presse* about a provincial or national lottery.

We know that the poll has shown that in the province of Quebec, at least, a large majority of the population was in favour of such a lottery.

The minister might tell the committee whether it is the government's intention to bring forward an amendment to the Criminal Code to legalize such a lottery if not throughout the country, at least in provinces that would favour lotteries.

To conclude my remarks, Mr. Chairman, I will respectfully ask you to assure the minister that all my comments were inspired by a complete and honest desire to co-operate.

(Translation):

Mr. Woolliams: Mr. Chairman, this afternoon I should first like to thank the hon. member for Skeena, who expected to speak at this time but who allowed me to go on instead, because of another engagement I have.

Before entering into the discussion in respect of the estimates of the Department of Justice, I should like to congratulate the hon. member for Hochelaga. I listened to his remarks with great care and can only conclude that he has made a great study of this subject, and is a man with considerable knowledge of jurisprudence.

In speaking on the estimates themselves, my first words are of praise for the Department of Justice and in particular the Minister of Justice. It is in no spirit of affectation that I say, and I think hon. members will agree, that the minister is young in years, an earnest student of jurisprudence, and a reformer. Since he has taken over the Department of Justice we have been able to consider such things as the reform of the practice of parole of prisoners—a subject which has been dealt with by the hon. member for Hochelaga—as well as reform in respect of the pensions of widows of judges, which certainly needed reviewing. We have also been able to think in

terms of legislation in respect of judges themselves, in making certain that we have a strong judiciary at all times in every province of this great country.

I also have in mind, as I am sure all hon. members have, the question of the reforming of prisoners. When lawyers have occasion to speak about this matter they think of young men from good families who through no fault of their own sometimes get into serious difficulties and are incarcerated in one of the institutions in this country. There has been a lot of reform in that regard. I also think it took a real statesman like the minister to come to grips with the subject of capital punishment. I do not want to deal with that because it is before the house in another measure. I simply wish to say that the minister has come to grips with the subject, and we have now progressed along the road in that if the bill is passed, capital punishment will be abolished with respect to certain kinds of murder.

I should like to deal with some of the matters I mentioned in my introductory remarks, and one of them is the parole board itself. I think all of us appreciate that this country is only as strong as its families. When one of our sons or daughters runs afoul of the law and is incarcerated in an institution, we want to have that son or daughter rehabilitated so they may take their place in society with other Canadians. I wish to congratulate the minister most warmly in this regard, because the emphasis has been placed on the rehabilitation of such prisoners wherever they may be incarcerated. We have set up a new parole board which reviews cases from the psychological and sociological points of view. The board takes into consideration the crime of which the person was convicted and all other circumstances; and if we can put one person back into society, if we can save one Canadian every day, we are doing a job in this particular field. I would say that the national parole board and its officials are doing an excellent job in that regard.

I should also like to mention the changed attitude with regard to penitentiaries. The old bars and cement are disappearing to some extent. We now have three types of institutions, minimum, medium and maximum security. When a person has been convicted of a first offence surely that person, as has been said many times before in the house by able jurists, should not be forced to mix with hardened criminals who need to be under maximum security. Therefore we have established a different kind of penitentiary that does not have maximum security. We have established prison farms for people of this type, and rehabilitation starts immediately they come to such an institution. At these prison farms we have now established a person takes his place with others knowing full well that he will be assisted in rehabilitating himself to take his place in society.

Then we have medium security institutions for people who may have committed the same offence again, or are put there because other circumstances enter into the picture. Last, we have maximum security institutions for those persons who do not respond no matter what the penitentiary officials do or what judges may say. These people have come before the bar of justice many times for offences and, of course, a criminal of this type must be kept away from society until there is some sign that he is prepared to be rehabilitated. I think this reform was necessary and overdue, and I wish to congratulate the young and aggressive minister for bringing it about.

I should like to say a few words about the judges themselves. After all, I think the administration of justice really is the window dressing and the colour of democracy. Just recently I picked up an old book that belonged to my mother. The book is 100 years old, and I should like to quote a statement which represents the view of those who believe in the rule of law:

> Law does not put the least restraint
> Upon our freedom, but maintains it;
> Or, if it does, 'tis for our good,
> To give us freer latitude;
> For wholesome laws preserve us free,
> By stinting of our liberty.

In other words, we have to give up a little of our freedom for the good of society, but out of it all we get a greater degree of freedom. As a lawyer I believe that over the years we have always had a good and independent judiciary. Not only under the present government but under the former one good appointments were made to the bench. Only two weeks ago I was before a judge who was appointed by the former administration. He is a man who was born in Alberta and whose parents came from central Europe. He was able to hand out the kind of justice that every Canadian feels should be dispensed. This is the calibre of man that we need on the bench. I think the government has seen to it that our judges have continued to be of a high calibre so that at all times in our democracy we have a judiciary of high standard which exercises great care in the application of the laws of our country.

With respect to those men who have dedicated themselves to serve as judges, I would point out that too often people say that this judge or that judge is making so many thousands of dollars a year. There is a tremendous

responsibility in accepting a judgeship in this country. Many of our top lawyers who could earn three or four times the salary of a judge by practising law make a financial sacrifice in order to assume this responsibility in our society, to see that our way of life remains free, and because they believe that the right calibre of man should sit on the bench to administer justice. When we have men of this type coming forward and making sacrifices to serve their country, I think it is up to us to make certain that their families are protected. A judge is expected to maintain a certain standard of living, and their salaries over the years have been far from commensurate with the work they do. I know of several widows of judges who have been left without the necessary security and whose pension is very low, sometimes $3,000 or less. I am glad to see that the situation is being reviewed, because if we expect these men to make the kind of sacrifices they do make in many cases when they go on the bench, the people of this country should be prepared to make certain that their families are protected and compensated for the sacrifice the head of the household has made.

With reference to judges' pensions, while it may not be true today it certainly was true in the past that men went on the bench at an early age to serve their country and were not able to save very much money before doing so. When the time of retirement came they found themselves having to reduce their standard of living considerably. I am glad to see that this matter is also being reviewed.

I want to deal now with something that concerns my own constituency. I would ask the minister to bear with me, because I have another engagement and I may not be here when the particular item is being dealt with. I feel the matter is very important to the constituency of Bow River and particularly to the Drumheller area. Hon. members have heard me mention this matter on other occasions, and I want to be fair in dealing with the circumstances. I am talking about the soft coal mines in the Drumheller area, and I will relate this matter to the estimates before us at the present time. There are two industries there. On the one hand there is a rich farming area and, on the other hand, there is a very depressed coal mining industry. Because of the competition of natural gas and petroleum with coal, miners have been thrown out of work and as a result there is a degree of unemployment in the area similar to that in Springhill.

I come now to the point. I am asking the minister and his officials to give serious consideration to the establishment of a penitentiary in the Drumheller area when a penitentiary is constructed in western Canada. I have various reasons for this request which I will deal with now. I have mentioned that it is an excellent farming area, and I have referred to the unemployment situation. Unemployment there is not something new. It occurred between the first and second wars and has happened again since the second war because of the competition of other fuels with coal. The kind of coal mined in that area is domestic fuel; therefore the industry was hard hit by the petroleum industry immediately it entered the competitive picture. These men who have put everything they have earned over the years into their little homes or their little institutions are forced to leave that area when the mines close. Many of them are men who have reached a time of life when they are not able to take up another kind of employment.

I say, therefore, this is a disaster area because of the relief situation. If something could be done, such as the erection of a federal institution, these men would be helped. Alberta is the only province in this country which does not have a penitentiary. The prisoners from that area go to the city of Prince Albert and are incarcerated in a Saskatchewan penitentiary.

Let us look at the attributes of the area itself. It is a large farming area. As I have said, there is a great deal of unemployment. Only this year another coal mine was closed, thus eliminating a payroll of $400,000 from that area. There is a good water supply, because the Red Deer river runs through the city. There are good access roads, because that area has been represented by a member of the legislature who has been minister of highways for a number of years. The area, therefore, has excellent hard top roads. The city of Drumheller is on the main Canadian National line from Calgary to Saskatoon. If you take a look at the map you will find that Drumheller is located pretty well in the centre of the province.

Last, but not least, I believe that the area desires such an institution. In many cases people do not want a maximum security penitentiary located in their area. Certainly the records show that the people of this area do want it. The united mine workers of America have petitioned the department for such an institution. The chamber of commerce of Alberta has asked for it. Organizations of coal workers have asked for it. In fact the people of the whole area have petitioned for it, because they have the same feeling that I am endeavouring to express in words today in respect of these people who find themselves in a very unhappy plight.

May I just review the evidence, on the strength of which I am requesting that this institution be located in this area. It is a good farming area in which to establish the farm type of institution which I discussed earlier in my remarks. There has been a great deal of unemployment there for almost 20 years. There is an adequate water supply, and we have the main line of the Canadian National and good roads in that area. I would ask in the strongest possible terms that consideration be given to the building of a penitentiary in that area.

I want to refer to two or three other matters before I conclude my remarks. I promised to be brief because the hon. member for Skeena was kind enough to allow me to speak in his place, since I have to leave. At the beginning of my remarks I mentioned the importance of the administration of justice in the province of Alberta. This is the one province in which the right to a jury trial in the supreme court can be waived because of the old Northwest Territories Act which is still part of the law of the province of Alberta. I have been one of those men at the bar who think that the guilt or innocence of an accused person should be determined by a jury of his own peers. There is danger in the belief that when you can waive a jury trial you can speed up the administration of justice. There is danger, too, that the jury system will eventually disappear from the province of Alberta. I may say that, except for capital offences, it is very rare now to have a jury impaneled.

This leads to three difficulties. One is that the judiciary itself loses the knack or the experience of addressing a jury and charging so far as the law is concerned in reference to criminal cases. Second, there is a feeling that they would rather not have the jury there. Defence counsel, who is an officer of the court, gets away from the idea of the jury system. I suggest that this is a matter which could be worked out by the federal and provincial governments, and which should be looked at with great caution before the jury system is eliminated from the province. There have been some cases in which defence counsel have asked that the jury be eliminated in so far as capital offences are concerned. I do not say it would happen today, but there is a danger that judges may say we do not want juries, and then if defence counsel insist on juries and the accused is convicted, the sentence might be a little more severe. These are dangers that exist in an environment in which there is no jury. I suggest, as I speak for the province in that regard, that we should exercise great care when we are thinking about doing away with the jury.

[Mr. Woolliams.]

I believe that ours is the only province in Canada in which the attorney general is not a lawyer and, therefore, has not had experience before the bar in so far as the jury system itself is concerned.

Mr. Hellyer: That could be a big advantage.

Mr. Woolliams: One member says that could be a big advantage. This has not been so in the past in those provinces which have had Liberal governments. I do not believe this has proven to be an advantage. In fact I have pointed out what one of our leading lawyers, the Minister of Justice, has done in so far as the reform of the law and administration of justice are concerned.

Once again may I say that I appreciate the hon. member for Skeena allowing me to speak at this time. I know he had planned to address the committee, but I had another engagement and I want to thank him very much for his kindness.

Mr. Howard: Mr. Chairman, may I first say that it was, of course, a pleasure to be able to assist the hon. member for Bow River or any other hon. member who finds himself in similar circumstances. It is not something for which an hon. member should offer extreme thanks, because I feel it is something each member of the house would like to do for another hon. member who finds himself in a similar position.

The Department of Justice, Mr. Chairman, is one which covers a wide variety of subject matters, many of which are not connected, that perhaps at this stage one might follow the suggestion made by the Minister of Justice and by others participating in the debate and leave specific suggestions and remarks about specific branches of the department until such time as we are dealing with the items for those particular divisions. For example, we have some argument to make in connection with the penitentiary branch and the parole structure which would be better left until the committee deals with those items. Certainly in so far as the enforcement of the Combines Investigation Act, the Royal Canadian Mounted Police, and two or three other subjects are concerned, I think they would be better dealt with when those specific items are before the committee rather than—what was the word used today?—bifurcating our remarks about this department.

Initially I should like to deal with the functions of the Minister of Justice and to say I believe he has not properly carried out his duties. I refer to the functions of the minister pursuant to section 3 of the bill of rights. At the outset, Mr. Chairman, may I say—this is the result of hindsight—that I

feel it was a great error for parliament to enact that particular section in the bill of rights. What we did was to put into a statute a responsibility of the minister in so far as the internal functions of parliament were concerned. We were then drawing into our activities the Senate, the crown and presumably the courts.

This has been dealt with in a couple of instances in the United Kingdom, when members introduced bills dealing with the internal functions of parliament itself. It was held on a couple of occasions by Speakers in the United Kingdom parliament that it was not competent for parliament to entertain bills which contained provisions relating to the internal functions of the house itself. This is what we have done by the enactment of section 3 of the bill of rights giving the Minister of Justice a certain responsibility to examine the bills presented to parliament.

I think perhaps an error was made in doing it in this particular way. Nevertheless, it is the law. That is the responsibility of the minister under section 3. Perhaps I could make reference to it and read it. Section 3 of the bill of rights states as follows:

3. The Minister of Justice shall, in accordance with such regulations as may be prescribed by the governor in council, examine every proposed regulation submitted in draft form to the clerk of the privy council pursuant to the Regulations Act and every bill introduced in or presented to the House of Commons, in order to ascertain whether any of the provisions thereof are inconsistent with the purposes and provisions of this part and he shall report any such inconsistency to the House of Commons at the first convenient opportunity.

I think the situation is made quite clear there. The section states:

The Minister of Justice shall . . . examine . . . every bill introduced in or presented to the House of Commons—

It also states that he shall do this in pursuance of or in accordance with such regulations as may be provided. I have the regulations here, and I shall make brief reference to them. This is from P.C. 1960-1792, December 31, 1960, regulations respecting the examination of bills and proposed regulations pursuant to section 3 of the Canadian Bill of Rights. Again it is stated here:

3. In the case of every bill introduced in or presented to the House of Commons the minister shall forthwith upon receipt of two copies of the bill from the Clerk of the House of Commons,
(a) examined—

And so on. It also states that he shall make a report. The words used here are similar to those found in the statute itself. I submit that the minister has failed to carry out his statutory obligation in this regard with respect to one bill before the house at the present time. I refer specifically to Bill No. C-76, which is set down for second reading, having been introduced or presented, as the bill of rights states, and standing in the name of the hon. member for Burin-Burgeo. This bill was given first reading or introduced in the house on March 22, 1961, a little more than two months ago.

It should be remembered that the bill of rights and the regulations say that the minister shall examine every bill introduced in or presented to the house. We made some inquiries earlier, as you may recall, Mr. Chairman, about what had happened with respect to this particular Bill No. C-76 in so far as examination of it was concerned, and with respect to Bill No. C-86 which has already been passed by this house. As found at page 4213 of *Hansard* of May 2, 1961, I asked the Minister of Justice whether he had so examined Bill No. C-86. On that day he stated as follows, and I am quoting from *Hansard*:

I can assure the hon. member that the Minister of Justice always exercises his responsibility under section 3 of the bill of rights and the answer, as I am sure he has anticipated, is that this has been done in the case referred to and no inconsistency has been found.

That was in connection with Bill No. C-86, to which I referred. I then asked him in a supplementary question whether he had examined Bill No. C-76, which had been introduced, as I said, on March 22. The minister said this:

The Minister of Justice has looked at the proceedings of the house and the purported Bill No. C-76, and had discussions on that matter with the Chair. It is my view that this is not a bill which is properly before the house at all in that it purports to be a bill to amend a statute while actually it does nothing more than re-enact the same statute. In my view it is nothing more than an abuse of the procedure of this house, but I do not care to go further than that at this time.

The minister may have some opinions and they may be valid opinions in his mind. I think they are not, but they may be valid. But merely because the Minister of Justice has these opinions about a bill which has been introduced in or presented to the House of Commons, this does not allow him to get around section 3 of the bill of rights. He cannot in that way get out from under his duty and obligation to examine that particular bill. It is one which has been introduced in or presented to the House of Commons. What the minister's feelings are about this being in order is another matter entirely.

The minister was asked further about this particular subject matter, and as reported at page 4213 of *Hansard* he stated:

I have not concluded my consideration as to the propriety of Bill No. C-76.

I would point out that the Minister of Justice has examined Bill No. C-76, standing

in the name of the hon. member for Burin-Burgeo. He has examined that bill from the point of view of its consistency or inconsistency with the bill of rights, and I submit that the Minister of Justice has found that certain parts of Bill No. C-76 are inconsistent with the bill of rights. By his own admission he has done this in another way; yet he refuses to report this inconsistency to parliament.

I therefore submit he has been derelict in the duty ascribed to him by this parliament under section 3 of the bill of rights. As found at page 4229 of *Hansard* of May 2, 1961, when the Minister of Justice was then discussing Bill No. C-86, which was the bill in the name of the Minister of Fisheries to amend the Fisheries Act, this is what the minister said:

> I can assure the house that my colleague the Minister of Fisheries is, as are all members of the present government, most careful to review the legislation and the activities of the officers for which he is responsible to ensure that the legislation does not place him or his officers in a position where things are likely to be done contrary to the bill of rights.

On that occasion the minister said that Bill No. C-86 was designed to overcome the inconsistencies of the old Fisheries Act with the bill of rights. Then he pointed out further as follows, and I quote again from page 4229 of *Hansard*:

> —we have here before us today a very concrete example of the effectiveness of the bill of rights. When you see the extent to which the Fisheries Act, a statute which has been on the books for many years, has offended the provisions of the present bill of rights, you will understand the important step forward made in introducing this piece of legislation entirely in conformity with that bill of rights.

As found on page 4230 he said further:

> This government has had this under consideration since last fall, shortly after the bill of rights became effective in order to bring in legislation which will remove the objectionable features so that the officers of the Department of Fisheries, from the minister down, will be administering a piece of legislation which is in conformity with the bill of rights.

Here on three separate occasions or in three separate comments during the same day the Minister of Justice said that the old Fisheries Act to some extent was inconsistent with the bill of rights, and that Bill No. C-86 introduced by the Minister of Fisheries cleared up those inconsistencies.

We know what is contained in Bill No. C-76, in the name of the hon. member for Burin-Burgeo. That is a bill to re-enact the old Fisheries Act, with an additional clause that it should be studied to find out whether it is inconsistent with the bill of rights. I submit that the minister, by his own admission, has studied Bill No. C-76. By his own admission in another way he has told us that it contains a provision which is inconsistent with the bill of rights. Yet he adamantly refuses to carry out the responsibility placed upon him by parliament and to report those inconsistencies to parliament, all because of some political embarrassment, perhaps. Regardless of the embarrassment that might be felt, I submit that the minister has no right to hide his embarrassment behind the argument that he feels Bill No. C-76 is not a bill properly before parliament, and he has been delinquent in his duties in this regard.

The bill of rights says the minister must examine and report at the first convenient opportunity. Surely the first convenient opportunity has passed in as much as it is now two months since Bill No. C-76 was introduced. Surely the first convenient opportunity has passed when the minister, by his own admission, says he has already examined the Fisheries Act and the bill introduced by the minister and found that certain inconsistencies in the old act were cleared up.

I do not want to suggest that the minister should take himself to court and sue himself under the section of the Criminal Code which deals with this question. There is a section of the Criminal Code which applies, section 107, and the minister is not above this particular section. This section says it is an offence against the Criminal Code to refuse to carry out responsibilities that a person is duty bound to carry out.

I think in this instance, Mr. Chairman, there is a prime example of a minister of the crown failing for one reason or another, or deliberately refusing to comply with a statute passed by this parliament, namely the bill of rights, to examine certain legislation and report to parliament upon it.

While we are on the subject of the examination of bills which are presented to the House of Commons may I again make reference to a question which I asked the minister concerning his activities in the field of divorce bills. On March 7, 1961, the minister was extremely busy because he examined 108 divorce bills which had been presented to this house, and he found none of them inconsistent with the bill of rights.

Let us take a look at one of the divorce bills which the minister examined and said is not inconsistent with the bill of rights. Let us take Bill No. SD-36 as an example. This is one of the bills the minister examined on March 7. Let us just see what he examined. This is the bill:

> An act for the relief of Hela Hinda Fachler.

The preamble says:

> Whereas Hela Hinda Fachler, residing at the city of Montreal, in the province of Quebec, wife of Szmuel (Samuel) Fachler, who is domiciled in Canada and residing at the said city, has by her petition alleged that they were married on the twenty third day of October, A.D. 1945, at the

city of Lodz, Poland, she then being Hela Hinda Chaim; and whereas by her petition she has prayed that,—

This is what the minister has examined:

—on the ground of his adultery since then, their marriage be dissolved; and whereas the said marriage and adultery have been proved by evidence adduced and it is expedient that the prayer of her petition be granted: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. The said marriage is hereby dissolved, and shall be henceforth null and void to all intents and purposes whatsoever.

The minister says this bill is not inconsistent with the bill of rights. I submit, Mr. Chairman, that it is as inconsistent with the bill of rights as anything could be. I should like to quote again from the bill of rights. Section 2 (e) provides that no law of Canada shall be construed or applied so as to:

—deprive a person of the right to a fair hearing in accordance with the principles of fundamental justice for the determination of his rights and obligations;

I submit that Bill No. SD-36 has deprived a person of the right to a fair hearing in accordance with the principles of fundamental justice for the determination of his rights and obligations.

Let us take a closer look at what occurred with regard to this particular bill. I have here a sworn affidavit and I should like to read it. It was sworn in the province of Quebec, district of Montreal, on the fourth day of May, 1960, before Mr. Morton Morris, commissioner of the superior court for the district of Montreal. It reads as follows:

I, Charles Charron, investigator, residing at No. 252 Georges Etienne Cartier Square, in the city and district of Montreal, and therein domiciled, do solemnly declare:

1. That on the twenty sixth day of April, 1960, between the hours of five and six p.m., I did serve the corespondent Rose Franklin with a true copy of the notice hereto attached and marked "A", by giving the said copy and leaving the same with the said Rose Franklin in person, at her domicile, at No. 3145 Clarke street, in the city of Montreal, province of Quebec.

2. That at the same time and place and in the same manner, I also served the said Rose Franklin with a true copy of the petition, hereto attached and marked "B", and a sworn declaration of the petitioner attached to the copy of the petition and also marked "B", appended to which copy there was a true copy of the information to the corespondent Rose Franklin which hereto is also attached and marked "C".

3. That I believe that the said Rose Franklin to be the person described in the said information to the corespondent.

4. That when serving the above upon the said Rose Franklin she admitted to me that she was the person described in the said information to be to the corespondent.

And I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and by virtue of the Canada Evidence Act.

That is signed by Charles Charron. You will note that the relevant parts of this, Mr. Chairman, are that Mr. Charron swears that he served someone by the name of Rose Franklin who is named as the corespondent in this particular case, at a particular address, 3145 Clarke street and she admitted she was Rose Franklin, the person described therein.

The only point in all this is that there is no No. 3145 Clarke street; it does not exist. If the address does not exist, how can Mr. Charles Charron swear that he served someone with a series of documents at that particular address? I submit that not only does the address 3145 Clarke street not exist, but neither does the corespondent.

Letters were mailed to Rose Franklin at 3145 Clarke street. A letter was attempted to be delivered by the postal service and I will quote from a letter received from the postal authorities in this regard:

The address of 3145 Clarke is inexistent and a directory service did not establish the present address of this Rose Franklin. The item is included.

This was after the letter was mailed to Rose Franklin at that address, after it had been returned by the Post Office Department indicating on the letter that the address did not exist, after it had then been sent back to the postal department with the request to check again and make sure that the information I just read out was correct, that the address of 3145 Clarke street was inexistent.

If the Minister of Justice says he looked at Bill No. SD-36 and at the part that says, "and whereas the said marriage and adultery have been proved by evidence adduced." without going into the evidence adduced, and came to the conclusion that this was not inconsistent with the bill of rights, what about the right of the individual, of the respondent in this case? This same gentleman, Mr. Charron, who swore that he delivered something to a woman at an address which does not exist also swears—and we are entitled to cast some doubt upon this—that he served the respondent at his particular address, and the address is given here.

I submit that Bill No. SD-36 is inconsistent with the bill of rights because it deprives a person of the right to a fair hearing in accordance with the principles of fundamental justice. Is it not the right of an individual who was named as a corespondent to have the opportunity of a fair hearing? And how can there be a fair hearing when there is no address at which the investigator can call or leave his papers? Our old friend Mr. Charron, whose evidence has given rise to several difficulties in the past, swore, nevertheless, that this address existed in the case to which I am referring. We are changing the status of the respondent in this case

from that of a married person to that of a single person, without, I submit, giving him the right of a fair hearing.

This is something serious and casts a bad light upon the administration of justice in this country especially when we consider that this incident occurred within the very building which we occupy at the moment, when we consider that Mr. Charron and people like him can come before the Senate and swear affidavits to the effect that a particular address exists, when subsequently it is discovered that the address does not exist.

Let me take another case. I understand I have only a few minutes of my time left. Perhaps I should go into it on a subsequent occasion and draw to the attention of the minister another case where an individual swore on oath by affidavit that he had served a particular person with a notice at a particular address when that address does not exist, or at least, has not since 1952. We made a check on this through the legal department of the city of Montreal and we have correspondence from the city of Montreal with respect to a number of addresses which do not exist and which have never existed since 1952 according to the search which the city of Montreal made into its records. Yet in each of those instances somebody, a bailiff or an investigator, swore a statutory declaration on oath that he had served a person with copies of certain documents at the address which does not exist.

Surely this is an abuse of the efforts and of the credulity of parliament. In addition, it demonstrates how carelessly these divorce cases are dealt with and how much responsibility must fall on the shoulders of the Minister of Justice, as laid down in the bill of rights, to examine every bill to see that the rights of individuals are fully protected. Contingent upon that I say responsibility falls upon the minister to examine the evidence given before the Senate in every instance in order to ensure that this sort of hanky panky does not continue on the part of individuals such as Mr. Charron upon whose evidence grave doubts were cast, I submit, on three occasions last year.

Here again we find a certain person swearing he did a certain thing, and yet the particular address at which he was supposed to have done it does not exist. I have only mentioned this one case at this time but, as I have indicated, there are more of them, and in my opinion they should be placed on record so that they can come to the attention of those who are petitioning for these divorces, come to the attention of the persons whose names are blackened because they have been placed in categories to which they do not necessarily belong, come to the attention of the Minister of Justice directly, so that he may have immediate knowledge of them, and, finally, come to the attention of members of the other place so that those who study these proceedings there may not be so careless in the future when they deal with these petitions. I think they should be placed on record, too, in order that the bill of rights may be carried to its full conclusion and innocent people protected to the greatest possible extent.

Mr. Fulton: I rise at this time not because I think that what the hon. member has said is very serious—indeed, I think he himself realizes that he had his tongue in his cheek most of the time when he was saying it—but because in the course of his observations the hon. member drew a number of conclusions which, I think should not be allowed to stand isolated on the pages of *Hansard*. I think the true facts should be put on record so that they will appear as closely as possible to the inaccurate conclusions which were drawn by the hon. member who has just spoken.

To deal generally with the question of divorce bills, the hon. member seems to have concluded that the bill of rights requires the Minister of Justice to become a private detective rather than Minister of Justice. That was never the intention of the bill and it certainly is not the intention of the minister. If the hon. member had stopped to reflect, or if he would stop to reflect, he would himself be forced to the conclusion that there is nothing in any of these divorce bills which in itself is contrary to the bill of rights. There is nothing in any of these bills which deprives any of the persons concerned of the right to a fair hearing.

The hon. member is seeking to make an oblique and indirect attack upon the Senate divorce committee. I think it would have been open to me to have raised a point of order, but I refrained because I did not think it would have advanced the interests of this house to do so. All the hon. member has been doing is suggesting that the Senate divorce committee has not properly investigated the evidence which came before it. The hon. member read into the record of this committee an affidavit which, he said, was full of false allegations. He went on further to suggest that the Minister of Justice had somehow been negligent in not reporting that the bill to which that affidavit related was inconsistent with the bill of rights. My obligation is to examine the bill. The affidavit is not part of the bill. Therefore, the fact that I reported the bill as not being inconsistent with the provisions of the bill of rights is in no way influenced by the fact that there may be

one, two, or six or a dozen affidavits presented to the Senate committee on divorce when it is considering a bill which comes before it.

The hon. gentleman has interested himself in these divorce proceedings. He has constituted himself a private detective—quite properly, if that is what he feels his role should be. But he has every right to bring before the private bills committee of this house any evidence he has that the affidavits presented in the other place are not in accordance with the facts. My obligation is to examine the bill and to report whether or not it is consistent with the provisions of the bill of rights, and not one of these multitudinous divorce bills—bills which, incidentally, are each checked in the department; it is not a routine check; every one of them is considered—is in conflict with the relevant provision of the bill of rights. The hon. member's approach has simply been to try to draw the Minister of Justice and the Department of Justice into his private vendetta with the Senate divorce committee. Into that vendetta we refuse to be drawn.

More important, although even less accurate, is the hon. member's allegation that I have been negligent in my duty under the bill of rights with regard to Bill No. C-76, which is the bill introduced by the hon. member for Burin-Burgeo purportedly to amend the Fisheries Act. First I should remind Your Honour that the hon. member for Skeena said the Minister of Justice, if I recall his words correctly, had been in direct and deliberate violation of his duties under the bill of rights. The bill of rights imposes upon the minister the obligation to examine every bill introduced or presented to the House of Commons in order to ascertain whether any of the provisions therein are inconsistent with the purposes and provisions of that part of the bill of rights, and requires that the minister shall report any such inconsistencies to the House of Commons at the first convenient opportunity.

The hon. member has read certain questions and answers that were exchanged between himself and myself subsequent to the time when the bill was introduced. Those questions and answers make it perfectly clear, in my opinion, that Bill No. C-76 is not properly before the house.

I submit to you, sir, that it is my duty only to report in respect of bills that are properly before the house. It was not the intention of the bill of rights to enable an hon. member to obtain a legal opinion from the Minister of Justice in respect of an existing statute by a device which misleads the house.

Mr. Howard: Would the hon. minister permit a question?

Mr. Fulton: The fact of the matter is that the question of whether Bill No. C-76 is properly before the house is still under discussion by the house leader and his honour, Mr. Speaker.

Mr. Peters: We passed it.

Mr. Fulton: That matter has, therefore, not been determined.

The hon. member for Skeena has suggested that the Minister of Justice must report any inconsistencies to the house at the first convenient opportunity. I should, therefore, suggest there are two questions invilved. First, is the bill properly before the house and, second, when is the first convenient opportunity of reporting inconsistencies?

May I remind the committee that when the bill was introduced, the hon. member for Burin-Burgeo said, as reported at page 3217 of *Hansard* for March 22, 1961 as follows:

> —the purpose of this bill is to revise the Fisheries Act to bring it into conformity with the Canadian bill of rights and in accordance with the report to be tabled by the Minister of Justice under standing order 40, as required by the Canadian bill of rights regulations.
>
> More specifically, the purpose is to determine whether the clauses which empower a fisheries officer (1) to accuse a person of violating fisheries laws, (2) to adjudicate on that person's guilt or innocence, (3) to confiscate without a hearing the property of persons, boats, fishing gear and fish, and which deny an appeal to the courts or to the Minister of Fisheries for restitution of the confiscated property if the confiscation is not coupled with a criminal charge, are consistent with the Canadian bill of rights.

When one looks at Bill No. C-76 and reads the motion of the hon. member, one will realize that it was represented to the house, when introduced, as a bill to revise the Fisheries Act, to bring it into conformity with the bill of rights, and it was on that basis that leave to introduce the bill was given. It was also on that basis that the bill was read the first time and distributed. When we examine the bill we find it is not a bill to revise the Fisheries Act to bring it into conformity with the bill of rights, but is a bill to re-enact the Fisheries Act.

As I have explained, this is, in my view, an abuse of the legislative processes of parliament and in my submission, which I made to his honour, Mr. Speaker, the bill is not properly before the house; first, because leave to introduce it was obtained by a subterfuge, and second, because it is—I have no doubt about this point—a bill which simply re-enacts the provisions of an existing statute, and is, in no jot or tittle, different from the existing statute already on the books with the exception that, at the end of the bill,

there is a clause saying that the existing statute is repealed. It is, therefore, not a bill at all, nor a legislative process. It accomplishes nothing. How can one solemnly ask the House of Commons to entertain the proposition that it should go through all the legislative processes of first reading, second reading, committee stage and third reading, simply to re-enact something which exists already? That is an absurdity, a monstrosity, and an abuse of the processes of parliament. My view is that, as Minister of Justice, I should not lend myself to such a process. That is my answer in respect of the first question, as to whether indeed this bill is properly before parliament.

The second question is, when is the first convenient opportunity at which the minister should report to parliament in respect of any inconsistency? As I have said, I have taken up the question with his honour, Mr. Speaker, as to whether this bill is properly before parliament and, at the moment, it appears to be his honour's view that the time to raise the question is when, and if, the bill should be called for second reading. Should the hon. member attempt to proceed with this solemn farce, then most certainly a point of order should be raised as to whether this bill is properly before parliament, and at that time I should properly present my views. If it were ruled that it was properly before parliament, then, of course, it would be incumbent upon me to express my view as Minister of Justice, and I should do so without hesitation.

In the interim I suggest that the proper position is that the Minister of Justice should not be asked to do that which the bill of rights never intended him to do—express legal opinions in respect of existing statutes, on the basis of a bill introduced, by a subterfuge and misinformation, to the house. The Minister of Justice, in my opinion, would be expressing an opinion as to whether a bill is inconsistent with the bill of rights when, in my view, it is not properly before the house.

Therefore, I suggest, Mr. Chairman, there is nothing to the point raised by the hon. member for Skeena, and that in the interim the government acted, as it had intended all along, following a study of the Fisheries Act, by taking the appropriate, open and honest course in introducing its bill to revise the Fisheries Act, in order to remove those portions of that act which, upon review, were found to be inconsistent with the bill of rights. That has been done, and my opinion of the bill, presented by the Minister of Fisheries, was given in the course of the discussion in respect of that bill. I submit now that I have complied, as Minister of Justice, not only to the letter, but to the spirit of the bill of rights and, in so doing, have avoided compounding an abuse of the parliamentary processes.

Mr. McMillan: Mr. Chairman, I should like to discuss a matter in connection with the administration of justice in respect of an impropriety which probably exists to a very limited degree.

I hold all judges, appointed by this parliament, in very high regard, and believe their decisions are as impartial as they can be, and the judges are beyond the realm of politics. I also hold in high regard those individuals appointed by our provincial governments to administer the law in our junior courts. I do not know of any one of them who is, or has been, partial in his duties. However, I do not think any of them should take an active part in an election, nor should they take any direct or indirect part in the patronage which might flow from an election. An infringement of the Canada Elections Act can occur; in fact, it often does occur. I do not suggest and I have no right to suggest that they would be other than impartial but yet I would think that their decision might be suspect. This would do nothing to enhance in the minds of the people the view that the administration of justice in Canada is always impartial. It occurs to me that anyone who is strongly partisan by act or deed and who has to do with the administration of justice may be acting quite legally within the law but not with propriety under the law.

As a member of another profession, I do not propose to lecture members of the legal profession. I am referring only to those who have something to do with the administration of justice. I am as interested as any other Canadian in seeing that the administration of justice is always above reproach. In bringing this matter before the committee may I say that I quite realize that these appointments are made by the provincial governments and therefore the matter is outside the jurisdiction of the Minister of Justice. However, the Criminal Code is a federal statute and we should all be interested in seeing that it is applied impartially.

After all, many more people come in contact with the junior courts than with the senior courts and their opinion about the administration of justice is formed from their experience in these junior courts. I do not bring up this matter in a partisan way and I hope the minister will not regard it as such. As I have said, the condition probably exists only to a very limited degree. I do not know whether it existed under the former government. Frankly, I have no information

on the matter but if it did exist I think it was wrong then just as I think it is wrong now.

I am not complaining because of any partisan action against our party on the part of the presiding officer of a court of lower jurisdiction. I am appealing to all Canadians to maintain the administration of justice on a high plane and above reproach. I do not suggest there should be any change with regard to the exercise of the franchise by these people although this is denied to the judges of our senior courts. I do not suggest that anything that has been done is illegal.

Mr. Smith (Simcoe North): Would the hon. member permit a question? Would he tell us what he means by junior courts? Does he mean magistrates' courts?

Mr. McMillan: I refer to magistrates' courts.

Mr. Smith (Simcoe North): Or family courts?

Mr. McMillan: Magistrates' courts. I should like the minister to reply and I should like to hear the opinions of other members of the committee. If I am wrong in my thinking I should like to be corrected. I have always thought that this practice should not be carried on and I should like to hear the opinions of other members of the committee.

Mr. Fulton: Mr. Chairman, of course I would deplore any partisanship in any court, and I am glad to say that so far as I know there is no partisanship in any of the courts, certainly not those presided over by judges who are appointed under the authority of parliament. Mind you, all of us who practice in the courts and occasionally lose cases may be tempted, I suppose, to ascribe reasons, but I am satisfied it is correct to say that on the whole the bar and the public of Canada are well served indeed by their judiciary, whether it be in the superior courts of the province, county or district courts or in magistrates' courts.

The hon. member has brought before the committee a general proposition that justice should be administered without partisanship or favour, and with his proposition we would, of course, all agree. He said, however, that the situation he has in mind exists primarily with respect to magistrates' courts. He did not identify the situation. If it is in a magistrate's court, if there should be any such unidentified situation, all I can say is that it seems to me that the matter should be taken up with the authority responsible for the appointment to the magistrate's court.

Mr. Herridge: I should like to make a comment at this point. I have had some experience in this connection. I was brought before a magistrate who was a member of the legislature who was of a different political persuasion from myself. He found me guilty with a great deal of relish and ordered me to pay a certain sum. I told him to go to hell, and that I would not pay the sum in question, and I have never paid it yet.

Mr. Fulton: The question there likely was, was the hon. member really guilty or not? I am glad to say that those bad old days in British Columbia are at an end. Even though the government of the province is not now one to whose political doctrine I subscribe, those bad old days are pretty well gone, and generally speaking that type of magistrate does not exist in our province.

Mr. McMillan: I did not mean to bring about a general discussion. I happen to know of one or two cases where this does occur, where magistrates do take part in federal elections. I have never made inquiries to ascertain whether or not the practice is general but if it is I think it is wrong. I think most hon. members would agree with that.

Mr. Fulton: I am sure they do, and if the hon. member would bring such a case to the attention of the provincial attorney general it is a matter upon which effective action should be taken right away.

Mr. Baldwin: Would the minister not agree that if it is apparent that there is the possibility of bias because of political partisanship any litigant has the right to apply for prohibition to prevent his case being heard by the particular magistrate?

Mr. Fulton: I would not care to give a snap decision on that point. I should like to reflect on it a little.

Mr. Peters: Mr. Chairman, we have the estimates of the Department of Justice before us again. Its operations are very important to everyone but in some respects they remind me of the expression "Jefferies is chicken" used in the press gallery. It seems to me that the department acts in somewhat the same manner. The minister has referred to his obligation under the bill of rights and in that regard I should like to refer to divorce bills. Anyone who has read a divorce bill knows that it contains a petition. There is an allegation that adultery has been committed. Evidence is submitted to support the petition and a decision is made on that basis. I think the bill of rights gives the parties involved in a divorce bill a protection they are not getting at the present time from the examination that the minister gives these bills. Because of the problems that have arisen over the past few years in relation to the divorce law administered by the federal government

and the responsibility of the federal government except in those instances where jurisdiction is given to the provincial governments, it seems to me that some change must be made so that some of these things do not happen. The minister will debate, and can debate, his responsibility in relation to this matter of divorce. However, Mr. Chairman, the committee will be aware of the fact that a number of cases have been referred to the minister by the miscellaneous private bills committee and we have never received any answer.

One of these cases was the Eccles case of last year which received a great deal of publicity in the newspapers and other media of publicity across the country. To date, we have not found out the ultimate disposition of this case. We were told that the occurrence was within the jurisdiction of the provincial government, but since the occurrence took place within this building I doubt that that would be the case. Even so, there must be some follow up as to what the decision in that case was. The province of Ontario itself has gotten into a great deal of grief in this field, but at the moment inquiries are being conducted across the province in an effort to solve the problem.

I offered to help the minister this year by suggesting the setting up of a parliamentary proctor, a Queen's proctor, to do the job of making inquiries about divorce cases when that course seemed to be necessary. We have done some work in this connection and I think the minister is going to have to do some work or take some responsibility in connection with this subject. It is quite true that, technically, the minister reads the divorce bill and sees nothing wrong with the bill. This is obviously the case because there is nothing in it except the petition; there is nothing in it to prove whether or not the people involved are being given any of the protection they should expect under the bill of rights.

By May 9, 1961, the hon. member for Skeena and I had sent letters to 242 persons involved in divorce cases. Actually, as you can see, there would be 484 people who received letters in this regard. Of this number, 114 letters were returned to us for these reasons: No such street, number or person in Montreal, and for respondents there were two, for corespondents five; not in the directory, unknown, 19 respondents and 45 corespondents; moved, not at that address, 16 respondents and 18 corespondents—

Mr. Fulton: I regret that I must rise on a point of order here, Mr. Chairman. I do not think it can be said of me that I am unprepared to discuss anything which is within my responsibility and to give a good deal of latitude in that connection. However, it does seem to me that what is being done here by certain hon. members is to seek to avail themselves of the opportunity of these estimates to discuss and to criticize proceedings before the divorce committee of the Senate, and to attempt to make a case—which may be right or wrong, I do not know, because it is not within my jurisdiction—that the committee has been careless or has been misled or whatever may be the case.

In my submission, sir, this does not fall within the responsibility of the Minister of Justice in any way whatever and should not be discussed on these estimates.

Mr. Howard: I should like to speak to the point of order, Mr. Chairman. You will recall that last session the miscellaneous private bills committee reheard a particular divorce case referred to as the Eccles case. This case was referred to the Minister of Justice, and he took certain action in respect of it. We have inquired of the Minister of Justice on three separate occasions on orders of the day as to what was happening to that particular inquiry. As a result of that referral to him, he gave pertinent information as to what he had done about the case and what was happening. Recently, the minister was sent a copy of an affidavit, both from myself and I gather from the chairman of the Senate divorce committee regarding certain alleged improprieties in connection with a particular divorce case. In reply, the Minister of Justice wrote me on March 30, as follows:

Dear Mr. Howard:

Thank you very much for your letter of February 28 concerning alleged irregularities with respect to the proceedings before the Senate committee on divorce on the petition of Yvette Dubois Leduc for a bill of divorce from Jacques Leduc.

I received the original of Mrs. Barriere's letter from the chairman, Senate divorce committee, and by letter dated March 13th I informed him that I was having an investigation undertaken immediately.

In both of these instances, the minister accepted some responsibility and took steps to deal with the cases. I submit that, surely this is something within the competence of the Minister of Justice. By his own admission in the letter of March 30, he was undertaking an investigation, just as he had in respect of the Eccles case. His answers on three separate occasions indicating that certain courses of action were being taken were an acceptance of some responsibility in the field.

Last year the miscellaneous private bills committee which dealt with the Eccles case felt the Minister of Justice was the only one with whom they could deal because this was a question of possible perjury which had occurred within the parliament buildings. I do not believe the minister can now disclaim all responsibility in this particular field.

Mr. Fulton: Mr. Chairman, in so far as one or two particular cases are concerned, I have taken them up when they have been referred to me. With regard to the Eccles case, as I have explained before, after a discussion with the Attorney General of Ontario, that case has been referred to the Attorney General of Ontario for investigation. I do not recall the situation with regard to the other case to which my hon. friend refers. My recollection is that the same course of action is being followed there. Where particular cases are referred to me with a specific allegation of perjury or something, then in accordance with a system I have worked out with the Attorney General of Ontario, these matters are referred to him. But in so far as the jurisdiction over, responsibility for, or control of proceedings with respect to divorce in the Senate committee is concerned, that is not my responsibility. It is not, in my submission, something which should be discussed on my estimates.

I am prepared to answer questions with regard to cases that have been or may be referred to me, but I am not prepared to answer questions with regard to cases that have been or may be before the Senate divorce committee, because I have no knowledge of them.

Mr. Peters: On the point of order, I should like to suggest we have a right to discuss this subject for the simple reason that we have been studying the problem over the years and the most logical conclusion to come to is to give the exchequer court jurisdiction in the matter of divorce. At the moment the minister has a bill on the order paper to add another one or two judges to the exchequer court. I believe a fair conclusion to draw from this would be that the judges are being appointed to take care of divorces and that parliament will be free of this burden.

The Chairman: I will not object if the hon. member puts that question to the minister, but the answer he receives may not give him permission to debate what he wishes to pursue. I may say that before the minister rose I had some doubts as to the relevancy or propriety of discussing the divorce situation when the estimates of the Department of Justice are being considered because, unless I am mistaken, there is no federal law on divorce.

Mr. Peters: Yes, there is.

The Chairman: Is there a law?

Mr. Peters: The only law is the Canada divorce act of 1930 and the British North America Act which gives Canada the sole right in matters of divorce.

The Chairman: I appreciate that the British North America Act—

Mr. Fulton: May I put it in this way, Mr. Chairman. Certainly the jurisdiction over divorce is in the federal parliament. But the responsibility for what parliament does is not that of the Minister of Justice. It is the responsibility of parliament itself. What I am pointing out is that it is inappropriate to seek to hold the Minister of Justice responsible for what a committee may do in the other place or even for what a committee may do in this place, a committee of which I am not a member, over which I have no control and before which I have never appeared. It is the responsibility of parliament itself, not that of the Department of Justice whose estimates are before the committee.

(Translation):

Mr. Deschatelets: Mr. Chairman, I hope you will allow me a word on that subject, in view of the fact that I am interested in this discussion, because I intend to deal briefly, in a few moments, with the matter of an amendment to the confederation pact with regard to divorce.

Subsection 26 of section 91 of the British North America Act grants exclusive jurisdiction to the federal government in all matters pertaining to marriage and divorce, except the celebration of marriage.

Since we are discussing the estimates of the Department of Justice, I think it is in order at this stage to suggest an amendment to that section. I want to give notice to the house of the question I shall be raising shortly in my remarks. I feel sure it will be appropriate to deal with divorce from that angle. At the present time, I have no knowledge of what my colleagues had to say on the subject.

The Chairman: Could the hon. member indicate what is this divorce legislation to which he referred a moment ago?

Mr. Deschatelets: It is section 91, subsection 26 of the British North America Act, which gives jurisdiction to the federal government over all matters pertaining to marriage and divorce.

The Chairman: I think I know that provision. I thought the hon. member was referring to a piece of federal legislation dealing with divorce generally. Is there any such legislation? I put the question to the hon. member.

Mr. Deschatelets: No, there is none, but—

The Chairman: I see.

(Text):

As I was starting to explain, there is no act concerning divorce in general. This house as well as the other place pass certain divorce bills but each bill is a separate case. The Minister of Justice has nothing to do with the procedure of the other place and of this place concerning the enactment of these bills. This is the responsibility of parliament as a whole and not the special responsibility of the minister.

Although it may not be wise on my part to give an opinion in advance on the point which the hon. member for Maisonneuve-Rosemont said he wanted to raise later on, I think generally that what I have said would apply. There may be certain circumstances where one could discuss the opportunity for the government to introduce some legislation in the matter of divorce but that would not be the responsibility of the minister. It would be the responsibility of the government to introduce legislation of that kind. It would therefore not come under the estimates of the Department of Justice.

The hon. member mentioned that the British North America Act gives the federal government power to legislate in the matter of divorce and marriage. I would point out that this authority is not given to the government but to parliament. That is why a distinction must be made between the responsibility of parliament and the responsibility of the minister. That is why I do not think the minister can reply to any problem raised on the general policy of divorce. This is a problem for parliament; it is not a problem for the minister. That is why I indicated that the discussion up to the present time has been out of order when referring to the procedure which is followed in the other place or here in connection with divorce.

As to the other point raised by the hon. member for Skeena with regard to certain cases to which he drew the attention of the minister last year, may I say this. He must remember that the enforcement of the law is a provincial responsibility. It may well be that the minister will wish to co-operate when certain facts are drawn to his attention by reporting to the attorney general of the province concerned; but that will not give the minister authority or jurisdiction on this matter under his estimates. Again it is a problem for parliament but I think it is not a problem for the Minister of Justice.

Mr. Howard: Before we proceed, Mr. Chairman, may I say this. The initial raising of the objection by the Minister of Justice and the subsequent discussion in my opinion raised three other matters which should be considered before we finally determine where we stand on this particular issue. The first one is this. If the administration of justice is a matter of provincial responsibility, then I submit that the Minister of Justice had no right whatsoever even to receive a communication from the miscellaneous private bills committee of last year with respect to the possibility of perjury or collusion in a particular case.

Mr. Fulton: How can I avoid receiving a communication? I must open the letter. I cannot send it back unopened. Don't be so ridiculous.

Mr. Howard: After all, I am talking about a ridiculous situation such as that with regard to parliamentary divorce. Anything more ridiculous has never occurred in the history of Canada.

Mr. Fulton: The hon. member himself sent me a communication.

Mr. Howard: I sent you a communication and it takes you months to answer it. To the letter I wrote on February 28, 1961 I received an answer on March 20, 1961. It was a month before I received a reply. It leaves the miscellaneous private bills committee in a foolish position, not having any place to turn if they find the possibility of perjury or if they find, in fact, that there is perjury. The miscellaneous private bills committee is an element of this house or of parliament and has not any direct relationship with the provinces of Canada. The only relationship it might have is through the Minister of Justice. The Minister of Justice is the person with whom the miscellaneous private bills committee deals.

The second matter that I think is of importance to consider is this. Under the Department of Justice comes the question of the operation of the Exchequer Court of Canada. Some few years ago the Minister of Justice, in answer to the then hon. member for Winnipeg North Centre, Mr. Knowles, made a comment to the effect that he, the Minister of Justice, was going to discuss the question of Exchequer Court jurisdiction in divorce with the Honourable the Speaker of the Senate. Surely we are entitled to talk about the Exchequer Court of Canada and whether or not its authority should be extended to include the question of divorce, especially in so far as the provinces of Newfoundland and Quebec are concerned. Surely we are entitled to go into that particular phase of the matter. There is a direct responsibility of the minister shown here under item No. 170, administration of justice in the Yukon territory, including the Yukon territorial court. Surely we are entitled then to discuss the subject of divorce in so far as it is concerned in the Yukon territory if this is under the jurisdiction of the Minister of Justice.

I think that on all counts we are entitled to proceed on this course in dealing with these particular items. I think we are also entitled to deal with the responsibility of the Minister of Justice, under the bill of rights, to examine bills introduced or presented to parliament to see that they are not inconsistent with the bill of rights.

The minister has said he examined all these various divorce bills and found them consistent with the bill of rights, and I think we are entitled to review his examination and see whether or not he is correct.

Mr. Fulton: Mr. Chairman, the hon. member has said that divorce might be discussed under certain particular headings, but the point is, that is not what he is trying to do. If the hon. member wants to discuss the jurisdiction of the exchequer court, there is an item here on the administration of the exchequer court. I am not attempting to say how widely he can discuss the matter, but surely that is the place where he should discuss it and relate it to the exchequer court.

However, that is not what the hon. member has been trying to do. He has been trying to attack the proceedings of the Senate divorce committee on the first item of my estimates, and I submit that is completely irrelevant.

Then the hon. member says that surely he is entitled to discuss any particular case that may have been referred to me. I have already said I am prepared to discuss any such case and what I have done with regard to it. But the hon. member has not even done that; he is trying to have a general discussion.

It is quite clear, Mr. Chairman, that the British North America Act gives parliament jurisdiction over divorce. How parliament exercises that jurisdiction is a matter for parliament to decide; it is not a matter within the administrative responsibility of the Department of Justice, whose estimates we are discussing. We are asking this committee to vote these estimates to enable my department to carry out its administrative responsibility; and jurisdiction over divorce is not one of those responsibilities. I hope hon. members appreciate that plain and simple point and will keep their discussions relevant to the items before the committee.

Mr. Peters: Mr. Chairman, I cannot agree with the minister at all. I think part of the trouble stems from the fact that what the Minister of Justice says concerning the Department of Justice is probably true, but the minister also acts in the capacity of Attorney General of Canada. In that respect, what he says is not true.

I think that quite frankly he has done a fairly good job as Minister of Justice, and a lousy job as Attorney General of Canada. I think he has done an exceptionally poor job in that capacity, and I think the hon. member for Skeena hit on a sore spot when he mentioned the date of this letter. I have written letters to the minister and it has taken him over two months to reply to them. I have never received an answer earlier than three weeks after writing my letter.

I do not think it is my responsibility as a parliamentarian to examine all these cases. I do not think it is the collective responsibility of all hon. members of the House of Commons to examine these cases. It is not our responsibility, certainly individually, and I do not think it is collectively, to examine all these cases; but nobody else is doing it and this parliament is passing these bills. We are giving consent by remote control at the present time, or we let somebody else to it on our behalf on a temporary basis, but we are making the decisions.

I wrote a letter to the Attorney General of Ontario and received a reply much faster than I have from the federal Attorney General. I sent copies of my letters to both these people, and also to Senator Roebuck, because for all I know he may be the attorney general of Canada in this relationship. But somebody is the attorney general of Canada; somebody represents the highest appeal court from the courts of this land and must hear an appeal.

I suggest that the gentleman who holds the office of Minister of Justice and Attorney General of Canada must be the man to whom we should talk—

The Chairman: Order. I would indicate to the hon. member that as far as concerns what may happen in a committee of this house or the other place, they may be able to act on their own initiative to correct any improprieties that may occur. However the fact remains that the administration of justice is a provincial responsibility; there is no doubt about that.

Even if the Minister of Justice is the Attorney General of Canada, that does not give him any jurisdiction in the matter of the administration of justice. With regard to the bill of rights, this question may be discussed, but only the point regarding the responsibility of the Minister of Justice in relation to the bill of rights. The discussion must not revert to the point made with regard to the procedure followed in the other place or here in the matter of bills of divorce.

With regard to the relevancy of some of the remarks being made under special items, I think the Chair should not rule on that point for the time being. I am just trying to indicate some general boundaries and I think the hon. member should bear in mind that

there is a difference between the responsibility of parliament and the responsibility of the Minister of Justice.

Mr. Peters: Mr. Chairman, the Minister of Justice made a statement not long ago in relation to this P.C. order which requires him to examine bills which come before parliament.

The minister went on to say something that surprised me. I think what he said should not be interpreted in the manner in which he said it, but he mentioned the fact that the hon. member for Burin-Burgeo introduced a bill—and quite properly, in my opinion—so that the government would have to make some decision in relation to the P.C. order of 1960, No. 1792.

This bill was introduced and the government got on its bicycle and introduced a bill that took out of the Fisheries Act those sections which would be contrary to the bill of rights. The minister said they were going to do this anyway. If this P.C. order had been passed before the Feeds Act was passed by the House of Commons last year, that act would not be on the books in its present form, because it conflicts in many respects—and I would be quite happy to point out at least 12 of them—with the bill of rights.

Obviously the Customs Act conflicts violently with the bill of rights. It may be true that private members are taking advantage of the inefficiency of the government, but it is also true that perhaps the government should have extended this P.C. order to permit them, through their agencies, to examine all the legislation and bring it into line with the bill of rights. This would have made it unnecessary for hon. members to find methods of removing clauses which are so much in conflict with our wishes in this regard.

With regard to the matter we were discussing a few moments ago, I have a signed affidavit here, of which the minister also has a copy. It is true that it was signed in the province of Ontario, because that is where I live. It was signed by a barrister of the supreme court of Ontario, but it was from a lady in the province of Quebec who had never been in the province of Ontario in her life until she came here to protest the fact that she was being divorced and did not know it.

While it may be all right to send this to the Attorney General of Ontario, which I did, I think it also has some interest for the federal department because they were the ones who were causing her problem; they were the ones to whom she was going for relief against something they were doing, not the province of Ontario. She had really no argument with the province.

[The Chairman.]

The Chairman: Order. I must point out to the hon. member that I cannot accept this argument. The fact that somebody calls on his federal representative does not give jurisdiction to the Minister of Justice or even to parliament. As I indicated, the administration of justice is a provincial responsibility, and the enactment of divorce bills is the responsibility of parliament and not of the Minister of Justice.

Mr. Peters: Mr. Chairman, I wrote to the Minister of Justice with regard to this matter and I included a copy of this petition. This is the reply I received from the minister, and the committee will be interested in noting that the minister does not mention the Attorney General of Ontario in his reply; he keeps it purely a federal matter:

Dear Mr. Peters,

Thank you very much for your letter of the 17th ultimo concerning alleged irregularities in relation to the petition for divorce filed by Ignatz Radakovitz.

I have written Senator Roebuck with respect to this matter and I shall communicate with you further in due course. I enclose herewith a copy of my letter to the senator for your information.

At this time the minister did not see fit to even call on the Attorney General of Ontario, although I had done so and sent him a copy of the petition. At the time I was not sure what course to follow. This is one of the cases to which the minister said he would give consideration.

Mr. Fulton: May I ask the hon. member whether I am correct in my recollection that in my letter to Senator Roebuck I asked him if he would have anything which in his view or in the view of his committee would assist the appropriate law officers in the enforcement of the provisions of the Criminal Code? Did I not ask him to let me have any material in his possession so that I might then turn it over to the appropriate attorney general for a decision as to whether any action should be taken under the ordinary law, because perjury is an offence under the Criminal Code and it is my view, as it is, so far as I know, the view of the provincial attorneys general, that it is the responsibility of the attorneys general of the provinces to take action with regard to it?

Mr. Peters: What the minister has said is correct. I would be happy to read the letter itself:

My dear Senator:

I enclose herewith a copy of a letter dated 17th ultimo which I received from Mr. Arnold Peters, M.P. together with a copy of the statutory declaration referred to. I would appreciate it very much if you feel free to let me have your comments

on this matter together with copies of any documents in the possession of your committee which you consider may be of assistance to me in giving this matter further consideration.

The letter is signed by the minister. Again, the province of Ontario was not mentioned in this case. I have another here; in fact I have a number. We asked these people in some cases for statutory declarations. I am not a lawyer and I do not really understand what weight that carries. We have had it done in the proper manner. A number of hon. members of the house have been very co-operative in doing this work for us. People have had the opportunity of being heard in this way. Then nothing happens, and that is what bothers me. The Attorney General of Ontario may make some investigation, but that is not my problem. If it were, I would run in Ontario as a candidate. The only thing that interests me is that it is costing me money when Mr. Kelso Roberts is doing work which I think the Minister of Justice should be doing. That is my difficulty. Also, the action appears not to be appropriate because it relates to people who do not reside in the province of Ontario. The foundation for this case was established in the province of Quebec, and if any attorney general should be referred to it should be the Attorney General of Quebec rather than Ontario. The difficulty which faces us is that the Attorney General of Canada is not, in my opinion, functioning in the manner in which he ought to function. Why is he not doing the job himself?

The Chairman: Order. I have indicated earlier to the hon. member that the Attorney General of Canada is not responsible for dealing with the cases to which he has referred. I thought I had made myself clear on that point. On another occasion the hon. member may have opportunities to discuss what he is now desirous of discussing, but it does not appear to be the duty of the Chair to indicate when that matter might be raised. All I can do now is to rule on whether the hon. member's remarks are relevant at this point and in my opinion they are not.

Mr. Fulton: May I assist in this matter by saying that we have considered this very carefully and we have come to the conclusion that where a possible offence is brought to my attention concerning perjury alleged to have been committed in Quebec or an offence in connection with a false affidavit, then it should be brought to the attention of the Attorney General of Quebec. Where perjury was alleged to have been committed in Ontario it would be brought to the attention of the attorney general of Ontario.

We have considered all aspects of this matter very carefully and have reached the conclusion that it is not the constitutional practice for the Attorney General of Canada to prosecute under the Criminal Code of Canada in the case of ordinary Criminal Code offences committed within a province. However, as I have said, when a particular case is brought to my attention I am not simply going to say: you must write to the Attorney General of Ontario, or Quebec, as the case may be. Perhaps I have been wrong. Perhaps I should have said that. But the practice I have followed is to write to the member and tell him that I would get in touch with the chairman of the Senate committee, bringing to his attention the material which has been supplied to me and asking him whether in his opinion there is any information available in the records of this committee which would throw any further light on the matter. The purpose of that inquiry is that we may have all the reports before us in order to lay them, in turn, before the appropriate attorney general. The purpose of that inquiry is not for me to decide whether to lay information but whether there is a proper case to bring to the attention of the provincial attorney general. That is the extent of my interest or authority. That is how I have tried to deal with particular cases brought to my attention. But with respect to divorce generally, the question of how this house handles it, or how the Senate handles it, is a matter over which I have no control.

Mr. Carter: When the minister was replying to the hon. member for Skeena he made some reference to myself which I cannot allow to go unanswered. He charged that I had used subterfuge in order to get a bill before the house, that I had misinformed the house and misrepresented what was in the bill. I want to say to all hon. members that I am not in the habit of using subterfuge to gain any purpose and it is unworthy of the minister to make such insinuations.

Mr. Fulton: I only hope you won't do it again.

Mr. Carter: I say to the minister now, that as far as straightforwardness and integrity are concerned I am prepared to match my record against his any time and any day.

Mr. Fulton: Except for this one case.

Mr. Carter: You keep quiet. You have had your say and I am going to have mine. Let us take this question of subterfuge. No bill can come before the house unless it complies with certain rules. If the rules have been complied with there can be no basis for a charge of subterfuge and the minister himself is lowering his dignity by suggesting it.

Let us look at the facts and not at the smokescreen which the minister has tried

to throw up. The rules governing the introduction of bills in this house are clear, and in addition we have standing orders applying with similar force to this procedure. Standing order 71, section 2, provides that a motion for leave to introduce a bill shall be decided without debate or amendment provided that any member moving for such leave may be permitted to give a succinct explanation of the provisions of the bill.

The practice which has been followed in introducing this bill is set forth in the fourth edition of Bourinot at page 494, where the following words are found:

> When the two days' notice has been given, the member in charge of a public bill rises as soon as motions for the introduction of bills are called, in the course of routine proceedings, and moves formally for "leave to introduce a bill, intituled, etc." He sends to the Speaker the motion in writing with a copy of the bill. The Speaker will then propose the question. "Is it the pleasure of the house that the honourable member has leave to introduce his bill?" But if the Speaker finds that the bill is "in blank or in an imperfect shape" he will decline to put the question and will return the bill to the member who must take another opportunity of bringing it up in conformity with the rules.

Standing order 71(1) provides that every bill must be introduced by leave with the title of the bill specified. Standing order 72 provides that no bill may be introduced in blank or in an imperfect shape.

Mr. Chairman, Bourinot provides that two days' notice must be given. I submitted my bill to the Speaker 48 hours before it was introduced in the house for the purpose of having the Speaker determine whether it conformed with the rules, and whether it was in blank or in imperfect shape. I was not informed that there was anything wrong with it, and naturally concluded that I was entitled to proceed with the bill. I suggest, therefore, the minister's charge of subterfuge breaks down in respect of Bourinot's citation, that 48 hours' notice be given, because it was duly given. I suggest the minister should eat the word "subterfuge".

In respect to his suggestion that it was misleading, the purpose of the bill was explained on the blank page opposite clause 1 of the bill, which was to determine whether it was consistent with the bill of rights and to re-enact it in conformity with a report which the minister is obliged to make pursuant to the Canadian bill of rights examination regulations.

The minister also suggested that I was asking for a legal opinion. The examination regulations of the Canadian bill of rights makes no mention of a legal opinion, but do refer to the report which the minister must present. What good would such a report be if hon. members are unable to make use of it in determining what changes should be made to the legislation which is passed by the house? The minister talks about a farce; I suggest that is the biggest farce of all. That is, the minister makes a report which can serve no purpose, is of no use to anyone, nor of any benefit to our deliberations. It is beyond any intelligent person to understand why the minister dreamed up that requirement in the first place, if it was not to serve some useful purpose. What other purpose could the report serve than to guide members in the methods of improving legislation as it comes before this house?

The minister then went on to say that my bill was not properly before the house. Here again the minister has displayed his confusion, because at one point he said the bill was not properly before the house, yet later on he said that question was still being considered by Mr. Speaker and the house leader. Surely the minister cannot have this both ways.

I should like to inform the Minister of Justice that it is not his business to decide whether a bill is properly before this house, but is a function of Mr. Speaker.

Mr. Martin (Essex East): Hear, hear. The Minister of Justice continually seeks to usurp that function.

Mr. Fulton: Just wait, I will read you what Mr. Speaker said.

Mr. Carter: I do not have to wait because I can tell you what Mr. Speaker said. He said this bill had no legislative effect.

Mr. Fulton: Yes.

Mr. Carter: It is upon that statement that the minister has based his argument this afternoon.

Mr. Fulton: No, not at all.

Mr. Carter: I suggest there are two things wrong with the minister's argument. The first is, he said, this afternoon, it cannot be decided whether a bill is properly before the house until a bill comes up for second reading.

Mr. Fulton: I have never said such a thing.

Mr. Carter: That is not the procedure we have followed during the 12 years I have been in this house.

Mr. Fulton: I never said anything of the kind.

Mr. Carter: I suggest any bill which receives first reading is properly before the house.

Mr. Fulton: I never said any such thing.

Mr. Carter: Oh, yes you did; you said it could not be decided because the question

would not arise. Your very words were, that the question woud not arise as to whether the bill was properly before the house until it came up for second reading.

Mr. Fulton: Yes, with respect to this particular bill.

Mr. Carter: This bill has had first reading and is therefore either before the house or not. The minister cannot have it both ways.

I would also suggest the bill is not in blank or in imperfect shape, but complies with the rules. There is a tradition in the mother of parliaments of introducing blank bills.

I should like to point out to the minister that if this bill has no legislative effect and is improperly before the house on that account, would that situation not apply to Bill No. C-60, the Canadian Bill of Rights, which the Prime Minister introduced in 1958? The Prime Minister stated when introducing this bill of rights as reported at page 4644 of *Hansard* for September 5, 1958:

> I hope we will be enabled next session to discuss this question again fully and completely,—

Then he went on to say, as reported at the same page:

> —whatever changes should be made in this bill of rights can be made in the bill then to be presented—

There was no motion for leave to introduce such a bill during the next session, and there was no similar bill introduced. The Prime Minister, in introducing Bill No. C-60 in 1958, did in fact introduce a bill which had no legislative effect. If it did, I should like the Minister of Justice to explain how it did.

I made it quite clear, when I introduced my bill, that the purpose of introducing it was for the consideration of the house, so that any inconsistencies in the bill might be removed. The Minister of Justice has seized upon the last clause of my bill, which stated that the Fisheries Act was to be repealed and re-enacted and I suggest the minister has made himself ridiculous in seizing on that one final clause and saying that it represented the whole bill. What about all the other clauses in the bill? Are they not part of the bill? How does he know we would ever get to the final clause or what changes would be made before the final clause was ever reached? The minister is basing his argument on the assumption that the bill is to be introduced in perfect shape and must go through in perfect shape without any changes whatsoever being made. This is in line with the arrogant attitude of the minister and his party toward parliament.

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As far as taking advantage of the house or abusing parliamentary processes is concerned, I want to emphasize that I have complied with every rule laid down by the house for the introduction of legislation and we want the minister to take back what he said when he used the word "subterfuge".

Mr. Fulton: With the greatest of regret I find myself unable to comply with the hon. member's request, and I shall endeavour to explain in words of one syllable precisely why not.

Mr. Martin (Essex East): On a point of order, Mr. Chairman, the hon. member for Burin-Burgeo points out that the minister said he had resorted to subterfuge. That, of course, is a reflection on the character of the hon. member if the minister used these words, and he now confirms that he did because he says he refuses to withdraw them. It must be obvious, Mr. Chairman, that the Minister of Justice should know better and ought to be asked to withdraw words that clearly reflect on the character of the hon. member who complained—

Mr. Fulton: Once again the hon. member—

Mr. Martin (Essex East): Would you mind—

Mr. Fulton: May I speak to the point of order? Is the hon. member for Essex East the only one who has any right to speak in this house? That is the position that he has sought to assert increasingly over the past weeks and months.

Mr. Martin (Essex East): Never mind the lecture.

Mr. Fulton: I have a right to speak to the point of order whether or not the hon. member for Essex East likes it, and I suggest to him that he try to maintain some of that equanimity for which he formerly used to be well known—

Mr. Martin (Essex East): I will not take any lecture from you—

Mr. Fulton: —but which seems to have departed from him in recent days.

Mr. Martin (Essex East): —or from anybody on that side, from the chairman or from you.

Mr. Fulton: To deal with the point of order, it is a well known feature of our rules that if objection is to be taken to what is said the point of order must be raised at the time that the words are spoken.

Mr. Martin (Essex East): Nonsense.

Mr. Fulton: This was not done, and in my submission there is nothing to the point of order raised by the hon. member in any event.

Mr. Martin (Essex East): On the point of order—

Mr. Fulton: It so happens, Mr. Chairman,—

Mr. Martin (Essex East): On the point of order—

Mr. Fulton: —that I am speaking to the point of order and I have not yet finished.

Mr. Martin (Essex East): The hon. gentleman says that he has not said anything contrary to the rules of the house. He has confirmed that he said—

Some hon. Members: Order.

Mr. Martin (Essex East): —that the hon. member had resorted to subterfuge.

The Chairman: Order. I am hearing the minister on the point of order raised by the hon. member for Essex East.

Mr. Martin (Essex East): He has gone on to another speech.

Mr. Fulton: I had about concluded my remarks on the point of order when the hon. member proved once again unable to restrain himself. The point I have made is that a point of order of this kind must be raised when the words were spoken. In any event, the hon. member for Essex East is this time so far out of court to be obvious even to himself. There is nothing in his point of order because the word used was in itself not unparliamentary. That is my submission. I was about to go on to deal with the position taken by the hon. member for Burin-Burgeo.

The Chairman: Order. I do not think I was in the chair when the words about which the hon. member for Burin-Burgeo complained were spoken. The hon. member for Burin-Burgeo, who is the member concerned, did not raise a point of order at that time. He has said that the minister should withdraw these words but that does not indicate in itself that the member considers that the words are unparliamentary. He may have implied only that they were unfair. I do not know in what context the word "subterfuge" was used and I would point out that in some cases it may be parliamentary. It all depends on the context. It may be unparliamentary if the implication is that the hon. member was trying to do something unethical. Would the hon. member explain exactly what the words were?

Mr. Carter: I do not know that I can quote the exact words but the implication was that I used subterfuge to get the bill before the house, that it was brought before the house by misrepresentation and in an improper manner. A few minutes ago the minister confirmed that and on the basis of his confirmation I am now asking him to withdraw. If I missed doing so on the earlier occasion I am not missing doing so now when he confirmed it a few minutes ago.

Mr. Fulton: As I apprehended what the hon. member said, he endeavoured to establish that what I said was not correct and therefore as it was not correct, that I should apologize or admit that I was in error. I had risen and said that I did not admit that I was in error when the hon. member for Essex East raised a point of order that the word "subterfuge" was unparliamentary. To that I replied that the point of order should have been raised when the word was used, which must be upwards of an hour ago, if there was objection taken to it. No objection was taken to it.

Mr. Benidickson: It is still a crime.

Mr. Fulton: In all simplicity, I submit that what is being done now is done in an attempt to waste time.

Mr. Carter: If you want to be a man you can withdraw it; if you want to be a weasel you can weasel out of it.

Mr. Fulton: If the hon. member for Burin-Burgeo would apply to himself the principle he has just asked me to apply to myself he would admit that what I said was correct, as I shall prove.

Mr. Carter: I do not admit one word of it, not one word of it.

Mr. Fulton: I shall read to you, Mr. Chairman, the dictionary definition of the word "subterfuge" in order that you may ascertain whether or not it is in fact unparliamentary. I am reading from the concise Oxford dictionary which defines "subterfuge" as follows:

> Attempt to escape censure or defeat in argument by evading the issue, statement et cetera resorted to for such purpose, use of such statements et cetera.

I see nothing unparliamentary in suggesting that the hon. member is attempting to evade the issue. That is done frequently. So, sir, I think there is really nothing to the point of order raised by the hon. member for Essex East. I am sorry to have to take so much time—

Mr. Carter: The minister himself is evading. He said I used subterfuge and engaged in misrepresentation.

Mr. Fulton: It is obvious, sir, that the hon. member for Essex East is inflaming the hon. member for Burin-Burgeo. It seems to me that is an unparliamentary practice. I would suggest that we might try to get back to the point at issue.

Mr. Martin (Essex East): On the point of order, it is clear from what the Minister of Justice has said that there has been a violation of the practices of the house in the characterization that the Minister of Justice has used with regard to the hon. member for Burin-Burgeo.

Mr. Fulton: My hon. friend did not even hear it. He was not here.

Mr. Martin (Essex East): Perhaps the Minister of Justice will contain himself and try to acquire that serenity which we knew he possessed on other occasions. If the Chair does not insist on the Minister of Justice doing what any man with decency would do, then, of course—

Some hon. Members: Order.

The Chairman: Order. I think the hon. member is now following a course which would not help to settle the problem. The Chair has not made any decision but I think I can make one right away. I realize now that I was not in the chair when the word was used so it is very difficult for me to rule now that the word was out of order or unparliamentary at the time it was used because as the definition of the word indicates it may be used in a parliamentary sense. What is unparliamentary is the imputation of false or unavowed motives. Maybe we could settle the problem by asking the Minister of Justice to indicate that he did not use words attributing false or unavowed motives to the hon. member. That is the only way I can rule because the hon. member for Essex East will realize that as I was not in the chair at the time, as I do not have the exact words and as the word in itself is not unparliamentary outside of the context, I cannot force the minister to withdraw. On the other hand, I am sure the minister will not hesitate to say that he did not impute to the hon. member motives of that sort.

Mr. Fulton: Mr. Chairman, of course not. I hope I am too good a parliamentarian and have too much respect for all my colleagues in this house to impute motives of that sort. The word was quite simple and it was used in a perfectly normal, proper context. It stands by itself. I had no intention of imputing motives of the sort you have described.

I come now to the question of whether or not the bill in question was introduced to the house on the basis of an explanation which misled. This was my complaint against the hon. member and against the bill. I said the bill was placed before the house on a basis on which the issue involved in the bill was not explained. This is my understanding of the meaning of the word "subterfuge", that the issue involved in the bill was evaded in the explanation that was given.

It is a custom in this house which has arisen out of the rules, and has been sanctioned, that when an hon. member asks for leave to introduce a bill, he may be asked to give an explanation.

Now, the introduction of a bill, of course, has in itself no effect. The only thing that has effect is when a bill is read formally the first, second and third time. But our custom has grown that when a member is asked for an explanation so as to allow the members of the house to form a judgment on whether he may have leave to introduce the bill, because it is only when leave is given to introduce the bill that it can be read a first, second and third time. First reading is given a bill under our rules immediately upon leave for the introduction of the bill being granted. It is important, therefore, whether or not a member gets leave to introduce a bill.

While it has rarely, if ever happened, the house is quite entitled to refuse leave to introduce a bill. Certainly, if the house felt that an explanation given of a bill made the bill repugnant, the house would not give leave for the introduction of the bill. Certainly if the house were given an explanation which, on its face, raised a serious question as to whether or not the house should give the bill first reading, then the house would say, no, we will not give first reading now. We will wait until we see a copy of the bill or until we get a further explanation. Then, we would defer first reading and the bill would not have, in fact, been read a first time. I say, therefore, the explanation given by a member when he seeks leave to introduce his bill is a very important thing.

In this case, the hon. member for Burin-Burgeo did explain his Bill No. C-76 on March 22, 1961. Here is what he said, as recorded on page 3217 of *Hansard* of that date:

> Mr. Speaker, the purpose of this bill is to revise the Fisheries Act to bring it into conformity with the Canadian Bill of Rights and in accordance with the report to be tabled by the Minister of Justice under standing order No. 40, as required by the Canadian Bill of Rights regulations.

There is another paragraph, and I will read it if the hon. member wants me to do so, but in my submission the operative and impressive words were, "the purpose of this bill is to revise the Fisheries Act to bring it into conformity with the Canadian Bill of Rights". It was on that basis, Mr. Chairman, that the house gave leave to the hon. member to introduce the bill to revise the Fisheries Act and bring it into conformity with the bill of rights. Leave was given, the bill was introduced and it was then read a first time

on the strength of the hon. member's explanation. But when we came to read the bill, we found that the impression we had been given was completely erroneous. This was not a bill to revise the Fisheries Act. This was a bill to re-enact, word by word, comma by comma, clause by clause and in precise detail, the then existing Fisheries Act. I ask how anything could be a clearer case of the house having been misled?

I am not discussing motives, I am simply asking the house to assess the fact of whether or not it was misled by the explanation given. The hon. member sought leave to introduce a bill to revise the Fisheries Act, whereas what was pushed through first reading quickly, on the basis of the house accepting the explanation in good faith, was a bill to re-enact the present Fisheries Act and then repeal that act so that the hon. member's bill would have been the operative act.

Mr. Peters: It accomplished what he wanted to accomplish.

Mr. Fulton: It accomplished nothing except to mislead the house, on the basis of the explanation given, and it drew from Mr. Speaker words which I shall presently place on record. Mr. Speaker was candid enough, as Mr. Speaker always is, to tell the house he had not been aware of what was being done. The Speaker himself did not know what was being done. He accepted the explanation in good faith. The words of Mr. Speaker are reported on page 3353 of *Hansard* for March 27, 1961, as follows:

> Perhaps the house would permit me to call attention to an omission or error of the Chair and ask for the indulgence of the house. It arose in a similar circumstance, where an hon. member had risen to ask leave to introduce a bill, namely on Wednesday, March 22, when Bill No. C-76 was given first reading, just as we have given first reading at this moment to another bill.
>
> If I had performed my duty at that time I should have called the attention of the house to the fact—which I did not actually know, but I should have known, in my responsibility for the form in which matters come before this house—that the bill is designed to do only one thing; that is, to repeal and re-enact the Fisheries Act.

Well, is that a bill to revise the Fisheries Act? Of course not Mr. Speaker, the responsible officer of the house, says himself that the bill was designed to do only one thing, to repeal and re-enact the Fisheries Act, whereas the explanation which we accepted in good faith informed us that it was a bill to revise the Fisheries Act. Mr. Speaker continues:

> In other words, it does not propose any legislation but it is simply a repeal and re-enactment of a statute now on the books, and accomplishes nothing whatever in a legislative way.

Now, I am sure that all hon. members, even my good friend from Essex East, will admit there is a substantial difference between a bill which we are told is a bill to revise the Fisheries Act—and that is what we were told by the hon. member when he introduced the bill—and a bill which, as Mr. Speaker said, is simply a bill to repeal and re-enact a statute now on the books. It accomplishes nothing. It was for this reason I said the bill was introduced by subterfuge. It was introduced as a result of an explanation which evaded the issue and led hon. members to believe that they were being asked to give leave to introduce a bill to revise the Fisheries Act, whereas they were being asked to give leave to introduce another, different kind of bill.

I do not propose to pursue this matter any further. I gave my explanation earlier this afternoon as to why, under those circumstances, as Minister of Justice, I had not felt called upon up to now to report on this so-called bill. In my view, it was not properly before the house. As Mr. Speaker says, it accomplishes nothing. In my view it is questionable whether it is, in fact, a bill at all and therefore I felt—and I discussed this point with Mr. Speaker—that there would be a point of order to be raised when the bill came to second reading if that stage ever arose. At that time the house would decide whether or not this bill is properly before the house. If the house decided that, then of course I would be called upon to examine the bill and make my report.

I did not consider I was called upon to make a report with respect to a monstrosity to which, in my view, this House of Commons being a sensible body would, if the bill ever came to second reading, decide was not properly before us, that it accomplishes nothing, that it should never have been introduced, so that it would not be proceeded with.

The hon. member for Burin-Burgeo makes some point of the fact that perhaps the bill would have been amended and then, perhaps, the bill would have accomplished something because somebody in committee might have amended it in a way to make it worth while instead of the nullity it was when he introduced it. This might have been the case if we proceeded with the bill, but when he made his explanation he was talking about the bill as he introduced it, and not what it might be at some other stage when some of the common sense of the other members might have been brought to bear on this monstrosity. He was talking about the bill that he introduced and he said, "This is a bill the purpose of which is to revise the Fisheries Act". As a matter of fact, it was nothing of the sort. Therefore, although

I like to try to get along with all hon. members, I am sorry that I am unable to accommodate myself to the request of the hon. member that I should apologize for the word "subterfuge".

The Acting Chairman (Mr. Morton): I recognize the hon. member for Skeena.

Mr. Carter: Mr. Chairman, I am not prepared to let the minister away with that.

The Acting Chairman (Mr. Morton): I have recognized the hon. member for Skeena.

Mr. Carter: I am speaking to a point of order, Mr. Chairman.

The Acting Chairman (Mr. Morton): What is the point of order at this stage?

Mr. Carter: My point of order arises out of the words just used by the minister who has said that he sees no reason to withdraw the word "subterfuge". If you will just give me a few moments I shall state my question of privilege. If I used subterfuge in introducing this bill, I did not comply with the rules of the house. I challenge the minister now to tell me what rule of the house I violated.

Mr. Fulton: I never said the hon. member violated a rule of the house. I said that the hon. member, in making his explanation, did not give the house the correct explanation of his bill. That is all I have ever said.

Mr. Carter: On a question of privilege, may I say that I did give the explanation to the house.

Mr. Fulton: Not the correct explanation.

Mr. Carter: The minister emphasized only one part of what I said. When I introduced the bill I said—

The Acting Chairman (Mr. Morton): Order. I think the hon. member, in raising a question of privilege, is raising a matter of argument. I had understood this point of order had been settled with the explanation that had been given, namely that there was no direct imputation against the hon. member for Burin-Burgeo and therefore no question of privilege upon which he had risen. I had therefore recognized the hon. member for Skeena.

Mr. Howard: The minister obviously studied well at law school for he has been able to use so many words to attempt to confuse the issue. However, I think he has failed to do so. The bill of rights and the order in council to which I referred, specifically, without equivocation, state what the minister shall do with respect to every bill introduced in or presented to the House of Commons. The order in council states what he shall do with respect to every such bill that is so introduced and then transmitted to him by the Clerk of the House of Commons. The question of the propriety of a particular bill and whether it is in order is one relating to the orders and functions of this particular house.

I say again, as I said earlier, that the minister has deliberately used his reasoning or his thinking that Bill C-76 is not properly before the house in order to avoid making a report which would have shown that the old Fisheries Act had in it many parts which were inconsistent with the bill of rights. If that is not the case, then I am quite sure we can expect tomorrow to find notice on the order paper by the Minister of Agriculture that he is going to revise the Feeds Act in order to bring it into conformity with the bill of rights. It is full of inconsistencies. The hon. member for Timiskaming referred to at least 12 instances where the Feeds Act introduced by this government is inconsistent with the bill of rights. I am sure we can expect that the Customs Act will be revised and brought up to date so that its inconsistencies with the bill of rights will be straightened out. But presumably what will be necessary before that event takes place is for other hon. members to introduce bills similar to Bill No. C-76, except that they make reference to the Feeds Act, the Customs Act and other statutes that I have not named which are inconsistent with the bill of rights.

The minister mentioned the fact that when instances of perjury were brought to his attention he would transmit these instances to the attorney general of the particular province within which the allegation of perjury itself as alleged was supposed to have taken place. I have drawn one of them to the attention of the minister already. I proceed now to draw another one to his attention. This also is connected with his duties and responsibilities under the bill of rights, section 3 of which states that he shall examine every bill. Here is another bill that the minister examined. He examined Bill No. SD-38, an act for the relief of Jack Warran Jones. In examining this bill the minister came across these words:

> —and whereas the said marriage and adultery have been proved by evidence adduced—

These are the words the minister examined and on which he came to the conclusion that adultery had been proven by evidence adduced. Yet how does he know this is not inconsistent with the bill of rights? I am referring to the bill, not the evidence. Yet the minister on March 7 ridiculed it and said, "That is not inconsistent with the provisions of the bill of rights." I submit that section I read previously of denying a person the right to appear applies in this case also. Let me read

an affidavit sworn in Montreal on March 22, 1960 before Ouila Deroches a commissioner of the superior court in and for the city and district of Montreal, province of Quebec. It reads as follows:

I, Harry Golden, bailiff of the superior court, in and for the city and district of Montreal, residing at No. 4870 Jean Brillant St., in the city of Montreal, province of Quebec, do solemnly declare:

1. That on the 21st day of March, 1960, between the hours of 11 and 12 in the forenoon, I served the corespondent Alfred Sabourin with a true copy of the notice hereto attached and marked "A" by giving the said copy to and leaving it with the said Alfred Sabourin in person at his place of employment at No. 553 Dollard Ave. in the town of Lasalle, district of Montreal, province of Quebec.

2. That at the same time and place in the same manner I also served the said Alfred Sabourin with a true copy of the petition hereto attached and marked "B" and sworn declaration of the petitioner attached to the copy of the petition and also marked "B" appended to which copy there was a true copy of the information to the corespondent which is hereto also attached and marked "C".

3. That I believe the said Alfred Sabourin to be the person described in the said information as the corespondent.

4. That when serving the above upon the said Alfred Sabourin he admitted to me that he was the person described in the said information as the corespondent.

And I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and by virtue of the Canada Evidence Act.

And I have signed:

And there appears the signature of Harry Golden. This is the original document from the report of the committee on divorce, not the printed document but the original in each instance, and the original typescript as prepared by the reporter who attended at that particular hearing. You will note that it is sworn that the gentleman Mr. Alfred Sabourin was served at his place of employment at No. 553 Dollard Avenue and that he received this particular document.

Mr. Chairman, there is no such address as 553 Dollard Avenue. Again, communications were addressed to this individual at the address shown on the sworn statement and again we have communications from the Post Office Department; again the letter was returned. Again demands were made to have it re-routed, or for other action to be taken through the postal department. Again we have a letter from the postal authorities in connection with this particular case and I quote from the letter:

The address 553 Dollard avenue does not exist.

I submit this is something that is within the responsibility of the Minister of Justice, as the minister himself announced a while ago. When evidence of perjury is brought to the attention of the minister, he undertakes to communicate with the responsible official in the province concerned in connection with the allegation.

I strenuously disagree with the contention of the minister that he has no responsibility to review this particular evidence taken in such a careless manner before the committee of the other place. I submit that the minister has a responsibility. Certainly the bill of rights says that he shall examine every bill, although it does not say anything about evidence.

This is another instance of the minister interpreting the bill of rights to suit his own convenience because he does not want to be bothered with these divorce cases, just as he interpreted it to suit his own convenience with respect to Bill No. C-76.

The bill to which I have just referred says that the marriage and the adultery have been proved by evidence adduced. The minister read those words and said to himself, "I will take them at face value. I will take at face value what is said in this bill". How can you prove that adultery took place when the address of the corespondent which is given here does not exist, and when someone obviously signed a declaration which is not in fact true? There being no such address, are we not entitled to entertain some doubt about whether there was in fact a corespondent? Are we not entitled to ask ourselves whether this is another of the cooked-up arrangements —and there have been so many of them, as we discovered last session—under which someone obtains a divorce by using a fictitious name or corespondent?

With regard to the question of whether or not this individual, Mr. Sabourin, actually existed we can refer to the evidence taken before the divorce committee. I refer to the evidence given by Mr. Clovis Paquette, who appeared as a witness for the petitioner. He was sworn and testified that on a particular day certain things happened. I will read from the evidence. Mr. Jacobs asked:

Mr. Paquette, on the evening of February 24 and into the morning of the 25th, 1960 was Mr. Jones in your company? A. Yes sir.

Q. Who else was with you? A. Mr. Brault.

Q. Where did you go that night? A. Well, I was there in the afternoon of the 24th.

The Chairman: Get around to the night in question.

I do not know whether or not this witness showed any undue interest in this matter, but anyway Mr. Jacobs then asked:

After Mr. Jones met you outside a certain place? A. He did.

Q. Where? A. On O'Brien Boulevard at 11.30, and I saw his wife arrive at one o'clock with another man driving a car, a Chev. convertible; and I went upstairs with Mr. Brault and Mr. Jones at two o'clock and I found his wife was in the house, because he had identified her to us.

By the Chairman:

Q. Did she hear him identify her to you? A. Oh, yes.

Q. And she didn't deny it? A. No she didn't deny it. I asked Mr. Jones if this woman was his wife, and he says yes.

By Mr. Jacobs:

Q. Where was this woman upstairs? A. She was in the room.

Q. What room? A. There was only one room and there was only one bed to accommodate two persons.

Q. Could you observe the condition of that bed? A. That bed was disturbed, and it is my opinion that it had been used by the two of them.

Q. Did you know the name of the man that was there? A. Yes, Mr. Alfred Sabourin.

By the Chairman:

Q. When did you find that out? A. I was there in the afternoon talking with the landlady downstairs. I asked her who was the man upstairs, and she said Mr. and Mrs.—

Then there was an interruption by a question:

But that is hearsay evidence. You must have found it out some other way. A. I was informed by the office he was living there.

Q. Did you hear him called Sabourin upstairs that night? A. I asked him his name.

Q. And he admitted it? A. Yes.

Then they come to the question of dress, of course, and who was wearing what. I think the committee will have noticed that throughout this evidence given by Mr. Paquette—who, as I have indicated, is an investigator—nowhere does he say where they went that evening. He was asked what he saw, and did he see this woman upstairs; he said she was in the room; he was asked what room, and he said there was only one room and only one bed. We do not get to the question of where they went, what was the address, or anything else.

Perhaps in this regard we are entitled to wonder whether the address existed, inasmuch as they could not find Mr. Sabourin later, and yet swore that they did. Mr. Chairman, if I look a little further here—

Mr. Fulton: You might find something juicy.

The Acting Chairman (Mr. Morton): Order. I wonder whether the hon. member can assist the Chair as to how this is relevant to the discussion. I do not wish to be unfair to the hon. member, but I think he is wandering rather far from his original intention of trying to show that some offence has been committed in which the Minister of Justice would have some interest. I do not think the hon. member would go to the extent of casting a reflection on the proceedings of the other place.

Mr. Howard: Mr. Chairman, I hope you are not inviting me to do that, because we could be here for some time following that particular course. I think this is quite germane to the discussion under way and to the announced responsibility which the minister has assumed and yet declines to accept.

It is the accepted responsibility of the minister to transmit to the attorney general of the province concerned any allegation of perjury. I am seeking to show there is an offence of perjury here, first by someone swearing an affidavit that he served documents on a person at a particular address, which address does not in fact exist; and second by making reference to the evidence taken before the committee. I admit that the Minister of Justice should have done this in the first place; he should have looked at this particular bill and others, in his role as custodian of the rights and freedoms of people. I submit that had the minister done this he would have seen that question of perjury does arise in this case.

We again get to the question of not being able to find the address at which this couple were supposed to have been discovered. The committee will recall from previous occasions on which we have discussed these matters that invariably the private detective says the address was such and such, the street was such and such, the time was 11.35, the lights were on, and gives all the intricate details about what was found.

I am attempting to show that nothing was found here, because nothing existed; that this is one of those instances of a put-up job and is an attempt to mislead the Senate divorce committee, the House of Commons, the miscellaneous private bills committee and His Excellency the Governor General when he comes to give royal assent to this particular bill. It is an attempt to mislead us into thinking certain conditions existed and certain things took place, when in fact they did not. I think it is one of the functions of the Minister of Justice to examine these particular bills.

I again quote from the typescript of the evidence in this regard to prove my point. I will now read from the evidence of Mr. Jones.

The Acting Chairman (Mr. Morton): Again, I do not wish to be unfair to the hon. member but I think he is going too far in that he is bringing before this committee a matter upon which he asks the minister to make a judicial decision regarding whether a proceeding was right or wrong.

Having regard to the ruling made earlier, I think the hon. member is within his rights in bringing to the attention of the minister a matter which he felt had caused an injustice or a wrong. However, having done that I think it is up to the minister to take whatever action he considers appropriate in

referring the matter to whatever authority he may think proper. I think the hon. member is going beyond that point in reading into the record evidence of the proceedings of another place, discussing it and in effect endeavouring to make this committee take part in a judicial inquiry, which is not part of the matter before us.

Mr. Howard: Mr. Chairman, I submit with deference, before your ruling becomes final, that by reading the affidavit sworn by Mr. Golden, where the address mentioned does not exist, I have shown that there is a question, or certainly an allegation of perjury in this matter.

Second, I wish to make reference to the evidence taken on oath before the committee of the other place to show that other facts should be investigated. That is why I seek to read from the evidence given before that committee, to bring to the attention of the minister another instance of possible perjury which should be examined. If I may be allowed to proceed—

Mr. Churchill: On the point of order, I think the committee will have to be very clear about this: if it is permissible to read evidence given before the committee of the other place it will become permissible to read other transactions which occur in the other place, and to my knowledge that has never been the practice of the House of Commons.

The Acting Chairman (Mr. Morton): That has been my concern as the hon. member has read on. I can see there may be some justification under our rules for his bringing this matter to the attention of the minister as something which may require investigation, but when it is considered that the bill itself is not before the committee I am concerned lest the matter should go too far and fall outside the terms of the business before us today. I think this whole matter is one for the house, if it wishes, to consider further when the particular bill concerned is up for consideration. In my opinion, having brought this question to the attention of the minister and having pointed out to him the existence of conflicting affidavits which, he alleges, amount to perjury, he has gone as far as he can under our rules. If he were to continue he would open up a discussion upon lines which the precedents governing this house do not allow.

Mr. Howard: If I understand your ruling I shall not be able to make reference to evidence given before the committee of the other place in order to show that a possibility of perjury exists.

[The Acting Chairman.]

The Acting Chairman (Mr. Morton): I would suggest that it is not for the hon. member, today, to prove that the evidence is right or wrong. He has brought the matter to the attention of the minister for investigation. Whether the hon. member is right or wrong is something for another forum to decide. I would further suggest that the time to make the allegations he has made would be when the bill is before this house or before the committee; the committee will be perfectly right to decide on the evidence given whether the allegations are true or not.

What is, in effect, being done now, is to attempt to have a trial of that case in the course of our consideration of the estimates of the Department of Justice. I think that would be an improper precedent to set. In my opinion, in bringing this matter to the attention of the minister, alleging that there is something wrong, and making some references for the minister's guidance, the hon. member has gone as far as he can.

Mr. Howard: There is one other point. Originally, the reference to the possibility of perjury related to one Harry Golden who declared himself to be a bailiff. The second instance relates to someone other than Harry Golden, a person who gave evidence under oath. I was attempting to proceed with the allegation of perjury in the second instance.

The Acting Chairman (Mr. Morton): I think that would be taking the subject beyond the scope of the administrative responsibility of the minister, since proceedings in the other place would be involved. I think the hon. member has made his point and I trust he will not persist in following his present line.

Mr. Howard: With all due deference, Mr. Chairman, inasmuch as I am prevented from bringing before the committee this other case where perjury is alleged and some evidence taken under oath to show that the possibility of perjury existed, then with due respect I feel I must appeal your ruling.

Mr. Speaker resumed the chair, and the acting chairman of the committee made the following report:

Mr. Speaker, in committee of supply when the estimates of the Department of Justice were being considered I ruled that the reading and discussion of evidence taken before the Senate committee on divorce were not relevant to the administrative responsibility of the Minister of Justice. Whereupon the hon. member for Skeena appealed to the house from the ruling of the Chair.

Mr. Speaker put the question as follows:

The question before the house is an appeal from a ruling of the chairman of the committee of supply. In committee of supply, when the estimates of the Department of Justice were being considered the chairman ruled that the reading and discussion of evidence taken before the Senate committee on divorce were not relevant to the

administrative responsibility of the Minister of Justice. Whereupon the hon. member for Skeena appealed to the house from the ruling of the Chair.

The house divided on the question: Shall the ruling of the chairman be confirmed? And the ruling was confirmed on the following division:

YEAS

Messrs:

Aitken, Miss	Johnson
Allard	Jorgenson
Anderson	Knowles
Asselin	Korchinski
Balcer	Lafreniere
Baldwin	Lahaye
Barrington	Letourneau
Baskin	Macdonnell
Batten	MacInnis
Bell (Carleton)	McBain
Bell (Saint John-Albert)	McFarlane
Best	McGee
Bourget	McMillan
Browne (Vancouver-Kingsway)	Martel
Brunsden	Martin (Essex East)
Campbell (Lambton-Kent)	Martineau
Cardiff	Mitchell
Cardin	More
Carter	Morris
Casselman, Mrs.	Murphy
Cathers	Nesbitt
Charlton	Nugent
Churchill	O'Hurley
Clancy	O'Leary
Clermont	Ormiston
Coates	Pallett
Comtois	Paul
Crouse	Rapp
Danforth	Regnier
Denis	Ricard
Deschambault	Richard (Ottawa East)
Deschatelets	Robinson
Dinsdale	Rogers
Doucett	Rompre
Drouin	Rynard
Drysdale	Slogan
Dubois	Small
Dumas	Smith (Lincoln)
English	Smith (Simcoe North)
Eudes	Southam
Fane	Speakman
Fleming (Eglinton)	Spencer
Forbes	Starr
Fulton	Stearns
Grafftey	Stefanson
Grills	Stewart
Gundlock	Thompson
Habel	Thrasher
Hamilton (Notre Dame de Grace)	Tremblay
Hamilton (Qu'Appelle)	Tucker
Hamilton (York West)	Valade
Henderson	Villeneuve
Hodgson	Walker
Horner (Acadia)	Webb
Howe	Weichel
	White
	Winkler
	Wratten—113.

NAYS

Messrs:

Howard	Peters—3.
Martin (Timmins)	

Mr. Churchill: On a point of order, Mr. Speaker, may I draw your attention to a problem and ask you to give it your consideration. The procedure of the house is that it is obligatory for five members to rise if a vote is to be called. I would ask you to consider very carefully whether, when that is done, members who have insisted on a vote should not be present when the vote is taken.

The situation is that five members of the C.C.F. party obliged the house to have a vote and yet only three were here when the vote was taken. I think this is possibly a new point and you may not wish to rule on it immediately but perhaps you would give it consideration and advise the house at a later date as to what rule should be maintained under these circumstances.

Mr. Howard: On the point of order, Mr. Speaker, I would point out that a number of members of parliament are absent from the house from time to time and no question is raised as to their absence. No question is raised why particular members are absent or others are present, and I submit that the same should be true in these circumstances.

Mr. Speaker: I take it that the point the Minister of Veterans Affairs makes as a point of order is that if a member takes part in insisting on a recorded vote his obligation is to remain and see the vote through. It is a novel point and I shall take it under consideration.

And the house having resumed in committee:

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 7.30 p.m.

(Translation):

Mr. Deschatelets: Mr. Chairman, if I remember rightly, the Minister of Justice (Mr. Fulton) stated in reply to a question put to him by the hon. member for Hochelaga (Mr. Eudes), that it is not customary for the minister to make a statement at the outset of the examination of his estimates.

It seems to me that the Minister of Justice is not only the custodian and administrator of our laws, but that he should be an innovator in this sense that he should keep abreast of all possible reforms in an effort to remedy the problems of our society and also to protect the citizens of this country as well as possible.

That is why I felt it would have been most interesting to hear the minister speak of the numerous problems which the government

is considering at present. Indeed, I intend to say a few words about a few of those problems.

I hope that when he closes the debate on item 1 which deals with the administration of his department, the minister will be kind enough to tell us what the government is doing and intends to do to implement those suggestions.

First of all, I should like to comment on a suggestion I made at least two years ago. I come back on this subject whenever I have the opportunity of doing so. I am speaking of the amendments which should be made to the Criminal Code concerning firearms.

I repeat what I said a few days past, namely that I, for one, was extremely disappointed when the minister informed us a week or two ago, that the government is not ready to introduce, at this session, amendments to make more stringent the requirements for allowing a person to carry a firearm and for greater control over their possession. He added that the government is not even ready to introduce amendments to prevent firearms to be sold as freely as they are today.

We are here first of all to protect society. We are here also to take all preventive measures, including the strictest legislation possible, to prevent honest citizens from being at the mercy of criminals.

I see here, in an article of *La Presse* for March 8, 1961, that the chiefs of police association of Canada sent the minister a brief on the various problems they consider most urgent.

One of the first problems considered urgent by that association is this and I quote their first recommendation:

> That people found in possession of loaded firearms, when they commit, or will commit, or have committed, a criminal offence be subject to five years imprisonment.

I do not quite see why we tolerate that individuals, arrested while in possession of firearms that are usually loaded, people with very long criminal records, can get away with it by paying a minimum fine. I said—and I repeat—that, whenever an individual who has served a sentence in prison is subsequently arrested and found in possession of a firearm, our legislation should, for such an offence, provide a minimum prison sentence without the alternative of a fine.

And I repeat what I said a few days ago on the subject. The attorneys general of the provinces had the right idea on the problem.

[Mr. Deschatelets.]

As a matter of fact, renewals of permits have been refused in most cases in the province of Quebec.

I trust that the Minister of Justice will encourage such action by communicating with attorneys general of the other provinces to ensure that permits for carrying firearms would be granted only in exceptional cases. He is well aware that, in the United Kingdom, for instance, even constables are not armed, while some members of the police force are required to leave their firearms at headquarters when they quit work for the day and pick them up again the next day before going on duty. All this means that as a deterrent to crime, it is extremely important that such amendments, which are requested by our judges, be adopted as soon as possible.

How many times do we read in the press that judges blame lawmakers for not being stricter when preparing legislation by providing a penalty which might stop many crimes from being committed.

Mr. Chairman, let us go on to another matter.

Hon. members will recall that during the first session of 1958, the hon. member for Outremont-St. Jean (Mr. Bourque) caused a certain amount of sensation in the house by raising, for the first time, the problem of goof balls.

I have here an article published in *La Presse* of Saturday, April 22, 1961, of which I would like to read out a few lines. It describes what is meant by a goof ball. After talking the matter over with several of my colleagues in the house, I found that several of them were not familiar with this problem. I therefore, think it would be quite useful to read here a few lines explaining the nature of these barbiturates known as goof balls.

> The report first describes the nature of goof balls. Technically, goofballs include a variety of well-known drugs of common medical use. However, by reason of their association with other drugs or of being mixed with other substances such as alcohol or by reason of their consumption in large doses, those drugs acquire special properties and cause peculiar phenomena of psychic stimulation or depression.

And in the same issue of *La Presse*, here are some recommendations which I think are very much to the point:

> To summarize the situation, even in these brief terms, is to summarize the recommendation of the municipal sub-committee: amendments should be made to the criminal code and to the federal food and drugs act in order to bring barbiturates under the same control, the same regulations and the same penalties as narcotics.
>
> The investigation which has just been conducted in Montreal, while brief and incomplete, should be enough to prompt the federal authorities to initiate the required legislative and punitive measures without delay.

In my view, the recommendation that barbiturates be assimilated to narcotics and drugs would, for the time being, be an efficient remedy, provided we could organize increased supervision in all provinces, as well as educational facilities, particularly for young people, and also a rehabilitation program for those who are already addicted to barbiturates.

Now, Mr. Chairman, I should like to deal for a few brief moments with a matter that is very close to my heart: rehabilitation. In my view, we have made tremendous progress in that field. Up to the moment when the inmate leaves the penitentiary, I think we have made tremendous strides in preparing him to go back to civil life. I do feel, however, and I speak on the basis of experience, that a rehabilitation program is completely useless if, when the inmate is given his freedom, we cannot offer him a job that will enable him to live a normal life.

There is no point in fooling ourselves. We must face the fact that an inmate who leaves the penitentiary with the idea of "going straight"—having had the benefit of the advice of our rehabilitation experts—will more often than not go back to crime eventually, because society has not yet understood his problem. When I say society, I mean industry, the government, indeed everybody, because there is still a complete lack of understanding of the problem of the ex-convict.

I have here an article from the *Star* for May 4, 1960, in which there is a very good description of the opinion I am now voicing, and I quote:

(Text):

Convict rehabilitation a two-part job.

They are tactful about it, but spokesmen for the justice department talking about what is being done in the way of penal reform rarely fail to put in their word for what we may label extra-penal reform. That is the necessary change in attitude on the part of the public toward the man—or woman—released after discharge of his "debt to society". If his community won't make a place for him, then the effort put into preparing him to play a useful part is rather apt to have been made for nothing. And year by year the justice department is releasing men better prepared to justify public trust.

(Translation):

Mr. Chairman, I referred earlier to the public's lack of understanding for the ex-convict. I think that we can plead guilty to this charge. I should like to tell you briefly about an actual case that I witnessed last year in my practice and which shows, much better than I could, this lack of understanding even on the part of certain civil servants.

I shall give no names, of course, but I would be willing to do so on request.

A youth of 18, charged with armed robbery, was brought before the court for the first time in his life. After the young man admitted his crime, the judge, who was very understanding, summoned him to his office and told him: I shall give you a chance. You have good parents. You never had any trouble with the law before, and I'll give you a chance if you want to enlist in the army. This young man then came to see me. I sent him to army headquarters in Montreal but, before leaving he asked: What am I going to say to them if they want to know whether I have ever been convicted? And I answered: Start right now to tell the truth; tell them exactly what happened.

The young man went to army headquarters. He passed the exams but at a certain point, when asked whether he had ever been convicted, he honestly admitted it, whereupon the army officer told him: That is really just too bad, but we cannot accept you. If you had said that you had never been convicted, we would have taken you on, and no further inquiry would have been made.

Well, the conduct of this officer seemed quite extraordinary to me. Of course, I do not want to give the impression that the army should be a haven for people in the process of rehabilitation but, in such a case, when a judge feels that a young man is in the right disposition for rehabilitation, I wonder why the army should refuse him.

By that, I mean that all this rehabilitation work fostered by the minister is bound to come to naught unless people are prepared to give a chance to men who have served time. I think a press campaign should be launched in this country, so that, in industry and in all places where it is possible, an ex-convict may have an opportunity to start a new life and prove that he wants to keep out of trouble.

Mr. Chairman, let us now turn to another matter. I wonder if the minister is aware that a while back a Toronto manufacturer of pharmaceutical products was fined for selling contraceptives. May I bring to the attention of the minister the content of section 150 of the Criminal Code, subsection (2) (c) of which reads as follows:

Every one commits an offence who offers to sell, advertises, publishes an advertisement of, or has for sale or disposal any means, instructions, medicine, drug or article intended or represented as a method of preventing conception or causing abortion or miscarriage.

Furthermore, I wish to call the attention of the minister to subsection (3) which reads:

No person shall be convicted of an offence under this section if he establishes that the public good was served by the acts that are alleged to constitute the offence and that the acts alleged did not extend beyond what served the public good.

Now, I am wondering whether it would not be advisable to revise that article of the Criminal Code to prohibit in the future the sale of those contraceptives unless prescribed by a physician.

I would appreciate it if at the end of my remarks the minister would say a word on that matter, and if he would tell us whether the problem has ever been taken up with him.

Now, Mr. Chairman, during the discussion of the bill we examined yesterday, we were denied the right to refer to particular methods of capital punishment. I would like to say only a word about it here, because if I should be out of order in doing so now, I do not know when I might have a chance to take up that point at some other time.

I would urge the minister, since it is not too late for that, to consider the possibility of amending Bill C-92 to provide for some form of capital punishment other than hanging.

I fail to see why the government should not make use of the report of the joint committee of the House of Commons and of the Senate to abolish our present practice of putting condemned criminals to death by hanging.

I think there would be almost complete unanimity in this house if the minister were to apply the conclusions of this report concerning the method of execution.

I hope that between now and Monday, when we resume the discussion of this bill in committee, he will be in a position perhaps to introduce an amendment to his bill providing for some new method of capital punishment.

Mr. Chairman, I made a request yesterday and I take this opportunity, when these estimates are before us, to repeat it today, but I shall be very brief.

I again urge the minister to refer Bill C-92 to a special committee of the house where the Canadian Bar Association could be invited—

An hon. Member: Order, order.

Mr. Deschatelets: —might be invited to tell us what they think about it.

My hon. friend just called out: order. I do not wish to dwell any longer on that. However, I hope this request I am making again, which seems wise to me, will be taken into serious consideration.

Last year, when we considered the bill of rights, we set up a special committee of the house and then we came up before the committee of the whole; and heaven knows that if there was some similarity between the original bill and the one which was reported later, it was purely accidental.

In any event, Mr. Chairman, I should like, in closing, to say only a few words about the law relating to divorce.

I have no intention of going into details on the question of divorce. I will simply say this to the minister in his capacity as Attorney General and legal adviser to the cabinet: this divorce issue had left the House of Commons for the Senate; it is now back with us. We have fallen from the frying pan into the fire and we are facing a serious problem. When the minister replies to our suggestions, I wonder whether he would inform us on the stand which the government intends to take in respect of this question of divorce.

I shall say no more—

The Chairman: Order. I am very pleased that the hon. member states his intention of not making any other comment on this point, for he has already gone too far.

I have already indicated that this problem is not the responsibility of the minister but of the house.

We are now considering the department's estimates.

(Text):

Mr. McGee: It had been my intention to rise this evening merely to comment on the impressive program initiated by the Minister of Justice in the field of penal reform, but I cannot let pass the remarks which have just been made by the hon. member for Maisonneuve-Rosemont. This great humanitarian who, I notice, voted against the bill which was presented to the house yesterday, presumably because he did not think the application of the death penalty should be limited, in a burst of compassion this evening decided that he wants to extend to human beings the same methods that this house voted to provide for the slaughter of animals a few years ago. I must say I am unimpressed by this sudden concern. The hon. member also made reference to special committees and I think if I were in his party I, too, would want to send out for a lot of experts and a lot of help. It is obviously a continuing process over there—

Mr. Deschatelets: We would not call on you, I am sure.

Mr. McGee: It seems to me that the members of this house are perfectly capable of processing this bill, as they have proved capable of processing other measures and bills over the years.

Coming back, now, to my original purpose in rising this evening, I want to discuss the impressive program of penal reform which is being carried on by the present administration under the guidance of the Minister of Justice. I had the opportunity to examine some of our penal institutions at first hand not too many months ago. I had occasion to visit the city of Kingston and Queen's University and I took advantage, while I was in that city, of the opportunity to visit two institutions, the Joyceville medium security institution just outside the city, and that great monument to the reform instincts of the Liberal party, the women's prison in Kingston.

I should like to tell members something of my experience in visiting first the Joyceville institution, the medium security institution containing prisoners carefully selected as being prisoners who are deemed to be the best risk and to offer the greatest opportunity for reform and rehabilitation. This, as I say, is a medium security institution. The degree of control on the part of the guards is roughly equivalent to that of a foreman in charge of a work gang. In effect the work gangs, or work groups, were, when I saw them, leaving through the open front door of the institution and proceeding down to the side of the highway, highway No. 15, I think it is, which passes by the gate, on their way to perform various tasks connected with the prison farm, bush clearing and other outdoor activities. The institution itself is obviously adequately staffed, and supervision is as strict as it has to be. The point is that some individuals of very substantial size were wandering about in relative freedom to pursue their tasks. They were putting in a full working day and within the prison itself the main endeavour was to provide to many of the prisoners who had little or no useful experience in earning a living, the opportunity to learn a trade, to operate machine shops, tailoring shops and so on. Here is a forward looking, progressive policy in practice, and it makes so much sense that there is little serious area for criticism.

The contrast between this medium security institution and the women's institution in Kingston is, to say the least, striking. At Joyceville I had seen a burly 200 pounder walking through an open gate. At Kingston there were endless barricades, walls 40 feet high fortified with barbed wire, oak doors and bars in series, bars strong enough to resist the charge of a herd of elephants, all to be passed through before one encounters a woman prisoner who would not have weighed more than 100 pounds soaking wet. The contrast between the open door and the animal cage was striking.

The person presently in charge of that institution was reluctant that I should visit the institution, and after I had completed my visit I could understand why. She had recently taken over the institution and was in the process of initiating some very constructive and effective measures. She was reluctant to allow me to inspect the buildings because she was in the midst of effecting these changes, and felt that if my visit was deferred two or three months, she would then be able to impress me with the efficiency and effectiveness of the operation. While I appreciate the feelings of that lady, I am pleased I had the opportunity at that time of seeing exactly what the situation was. There was, at that time, enough evidence of the previous arrangement remaining to impress me with the hopelessness of the situation as it existed before the introduction of these new methods, effected by that enlightened lady under this present administration.

There used to be at that institution a school to teach the inmates hairdressing. The female inmates were being taught how to earn an honest living at some considerable expense and effort. This school was finally discontinued because graduates, when they applied for jobs upon their release, although qualified, were refused.

I am pleased to say that, with the opening of the new building, there are now classes held in special rooms designed and equipped to teach the inmates different trades. It is my considered opinion that the old arrangement, which was an exercise in futility, has been replaced by a productive and beneficial arrangement whereby the inmates are able to learn typing, shorthand, bookkeeping, accounting and the like, and upon discharge are able to be placed in good positions. Classes in academic education also take place now at this institution in an attempt to bring the average education of the inmates up to a grade 6 level.

I should also like to mention that there is a laundry operating in the institution which has, over the years, looked after the laundry needs of the institution itself as well as neighbouring men's institutions and which worked a four hour day. Obviously this is an appropriate occupation for women prisoners but I wonder about the effectiveness of having the prisoners work only a four hour day in terms of preparing them for useful occupations after release. There is also a shirt factory in the institution which worked on the basis of a four hour day. Women who have worked there and who upon release sought employment in

shirt factories found themselves unable to sustain the pace of working an industrial eight hour day, after having worked a four hour day for four or five years. As a matter of record, very few have been able to hold their jobs after release. It is my understanding that the inmates only put in a four hour day because the guards were required to escort them from the laundry room to the mess room, to the laundry, and back to their cells. These guards worked only until 5 o'clock in the evening so the inmates had to be returned to their cells before that hour. Apparently the thought of the guards working shifts had never occurred to the officials of that institution, so that a normal seven or eight hour working day could be carried out.

If such a procedure had been followed, perhaps those inmates would have become accustomed to working a long day, and thereby would not have been faced with the sudden change upon their successful placement in a laundry in the outside world. Had this been so, at least some of them might have survived the difficulties of the transitional period from imprisonment to private life. It is unfortunate, though true, that in most cases, inmates released and placed in jobs outside met with unhappy results. I should in all fairness say, with the new programs being instituted in these institutions, the results are much better. I understand there is very little resistance to the increase in the length of the working day, although resistance was anticipated.

I have related some of my impressions of the operation and success thereof, which I found on my visit to this institution. I could take up more time in describing what I term, quite fairly, the dungeon conditions which I found there, such as one basement room in which there was a puddle of water surrounded by 20 or 30 beds. I suggest the existence of those conditions is the reason why the lady, to whom I referred earlier, was so reluctant to let me inspect the institution. However, as I say, the institution was in the midst of a change-over period, and conditions are now much improved. I was very impressed by the before and after picture.

It is quite clear that for at least a quarter of a century, perhaps more, the conditions existing in institutions in this country were completely ignored. I am happy to say that a new program is being carried out with vigour and interest, initiated by the present Minister of Justice and carried out by the officials of the penal institutions that come within federal jurisdiction. This program has had a dramatic impact, particularly in view of the difficulties which were encountered at the commencement of the program.

[Mr. McGee.]

The subject of penal reform has been discussed in this house, as well as by a number of interested individuals outside this house. It was discussed just recently during the debate on capital punishment. I have often heard statements made by uninformed individuals which would have lead me to believe, had I not known better, that a sentence of life imprisonment in these institutions could be likened to a vacation in Florida. That, of course, is not the case. The present program initiated by the Minister of Justice was embarked upon in a constructive way, in an attempt to train the inmates of these institutions, so that upon their release they would be capable of being placed in society in respectable positions and occupations. A great deal of careful planning and thought has gone into the designing of this program. I think the philosophy behind the project is sound, and that the pattern now being developed is desirable. These programs, plans and policies, however, are only as good, in the final analysis, as the results—the placing of released inmates in gainful and productive forms of employment.

I note an increase in this year's estimates of some $17,000, bringing the total to $167,500 in the form of grants to after-care agencies. The vanguard in this respect is composed, of course, of the John Howard and Elizabeth Fry societies, which are doing an outstanding job in this field. But, as I said before, Mr. Chairman, the work being done, the effort being made, the care and time taken, go for nought if upon release society in effect slams the door in the face of these individuals. This problem is, of course, aggravated in time of economic recession and, I suppose, according to the season of the year when release takes place. I think it behooves us as members of parliament, regardless of political party, to act within our capacities as ambassadors for the minister's programs and the programs instituted by these after-care organizations. If the first few doors are slammed in the face of the released inmate, we are simply and obviously increasing the possibility of recidivism, of having the released prisoner back in our institutions.

Finally, I think the most impressive feature of the minister's program of penal reform is that not only does it make sense but it actually saves the taxpayers, you and I, Mr. Chairman, money in the long run. This can be and has been demonstrated to be a fact from the point of view of cost to the state itself.

I hope that at some time during consideration of the minister's estimates he will shed further light on the question of life imprisonment and the implications thereof. There is a theory abroad, erroneous, I believe, and I

hope the minister will confirm me in my belief, that the frothing, foaming criminal guilty of a murder or a series of murders, who is found guilty and sentenced to life imprisonment, will be invited, if not encouraged, in a relatively few years to come back into society. Quite understandably fear has been expressed by members of the house and persons throughout the country that men of this type would be virtually invited to go free to kill again.

From the information I have gained in other quarters it is my impression that in our institutions at the present time there are persons who are serving sentences of life imprisonment and that for all practical purposes the sentence will be just that, life imprisonment. I say "for all practical purposes" because it seems to me that, in terms of the threat to society and the safety of society, when the person is aged, infirm and sick, literally not strong enough to harm himself let alone anyone else, there is no useful purpose in extracting the full sentence of life imprisonment and keeping such a person in hospital behind bars rather than in hospital on the other side of the bars. I hope the minister will clarify that matter for me and for the fairly large section of the public who, I believe, are under an erroneous impression concerning the effect of life imprisonment. As I said before, it is my belief that the person who clearly represents a threat to society or a likely threat to society if released simply is not released. Finally, Mr. Chairman, I should like to congratulate the minister on the part of the program I have followed with interest and examined at first hand and at the same time to wish him well in his future activities in this field.

Mr. Fulton: Mr. Chairman, I noted with interest that the hon. member for York-Scarborough was interested primarily in the penitentiary program and, indeed, he discussed some aspects thereof. As I indicated to the committee at the commencement of discussion of my estimates today, it is my intention to make a general statement by way of a progress report on our correction and reform program when we reach the penitentiary item, and I would hope, therefore, that we might have a discussion of this matter on that item. Since it appears to me to be the fact that members are beginning to turn their attention to that matter, possibly they might be prepared to conclude the general discussion on the first item and perhaps it might be timely if I were to reply now to some of the remarks that have been made on that item so that we can proceed with the specific items in the estimates.

The hon. member for Hochelaga commenced his remarks by drawing attention to the fact that there is an appreciable increase in the expenditure we are asking for this year compared with 1957, and there is no doubt that he is correct in drawing attention to that fact. I would, however, draw to his attention, and to the attention of the other members of the committee, that the main increase in expenditure consists primarily of the increase in the penitentiaries branch, the parole board and the salaries of the officers of the department, the penitentiaries branch and the other administrative boards that are under the general heading of the Department of Justice.

With respect to salaries, I point out that there have been two increases authorized by the civil service commission and approved by the government since 1957, that is, since the date with which the hon. member was making his comparison. I would draw his attention particularly to the fact that this increase in total expenditure by no means indicates that we are getting less value for the money that is being spent. Indeed, in my submission, we are getting more value. I would, for instance, direct his attention to the fact that under the penitentiaries branch—I am not going to discuss this in particular but this is an illustration of what I have in mind—the item for administration this year is $14,912 less than it was last year although the penitentiaries branch is spending more money this year than last year under such items as construction and maintenance. This is the pattern we have endeavoured, I believe successfully, to institute in the department.

There are certain things which are recognized as uncontrollable expenditures. If you have an increase in salaries authorized, then your salary item goes up. If you have an increase in your over-all activities, if you have a program which has the general approval and support of the house and the country and on which you must spend more money than previously, your estimates are going to reflect that increase.

The fact of the matter is that although the program has increased very considerably the proportionate amount being spent for administration has, as in the case of the penitentiaries branch, generally speaking been reduced, so that the country is getting better value for the money in part because the program is sounder than was the case before. One of the reasons why the over-all expenditure of the department has increased is, of course, that under this department there are being performed functions and activities which were not being carried out before. I have referred to the establishment of the national parole board, and I refer also to the new correctional reform program. Both

of these represent programs for which the country had had a very real need over the past years but which were not implemented until within the last two or three years.

Then, the hon. member referred to the increase in the number of legal officers, senior advisory counsel, and so on, within the department. I think the committee might be interested to know that the Department of Justice services the whole of the government of Canada, services all the departments. This work, of course, includes legal advice and counsel offered by the minister to his colleagues in the cabinet, opinions given by my deputy minister to the administrative heads of departments, assistance in particular matters given by my officers to their opposite numbers in other departments, litigation conducted on behalf of the government of Canada, the work of the criminal law section, which has responsibility for the general supervision of the Criminal Code, and those fields in which the federal government must take action under that code, and includes the legislation section, which is charged with the responsibility of the drafting of bills which are submitted by the government to this house. All of this work that I have mentioned, and much work that I have not mentioned, is carried on for the government of Canada with a total staff of 40 legal officers.

I think that if the committee will stop to reflect for a moment on the volume of work that must be done by the Department of Justice for the government of Canada, which means the people of Canada, they will realize that a staff of 40 legal officers is a very reasonable staff indeed with which to carry on that work. This number includes all the legal officers in the department from the deputy minister down. It is quite true that there has been a relatively modest increase in the number of legal officers employed by the department since 1957. One reason for this is that we have adopted, as a conscious policy, the practice of conducting more litigation, actually having the prosecution of more cases in the courts by our officers, rather than employing outside counsel.

I am not suggesting for a moment that we have adopted the practice of employing no outside counsel. We still retain and will continue to retain large numbers of outside counsel as agents of the Department of Justice in that litigation. We are, especially in certain fields, and I am thinking particularly here of important taxation cases as well as constitutional cases, endeavouring to have our own officers carry more of the litigation burden. May I give an example? For instance, in the year 1960, officers of the department took 90 cases in the courts, supreme court, exchequer court, tariff board or provincial courts, which occupied 145 full days. The cost of this litigation to the government when carried out by departmental officers is, of course, less than the cost would be if we had retained outside counsel for all those cases.

Mr. Benidickson: Would the minister permit a question?

Mr. Fulton: I must of course emphasize that, in addition to the work they did as counsel in court, all these officers were doing other departmental work as well.

Mr. Benidickson: My question to the minister was simply to wonder at this point, since he has statistics about this enlargement of the role of crown employees in actual court cases, if he also had avalaible for the committee information as to the expenditure by the department for the engagement of outside counsel on a comparative basis for some years back?

Mr. Fulton: I believe that for an answer to that question I would have to refer my hon. friend to the tabulation in the back of the estimates book under the heading "Professional and Special Services", column 4. I say this because, while all litigation on behalf of the government of Canada is conducted under instructions by the Department of Justice, the fact is that this litigation is conducted on behalf of the departments concerned and the cost of litigation is charged to the department. It is not, therefore, reflected in our estimates. The total is reflected in that item.

Mr. Benidickson: Would the minister give the figure for 1961-62, with his proposal in front of us for that kind of expenditure?

Mr. Fulton: I have just explained the reason why I am not able to give the total with respect to the Department of Justice. If, for instance, we prosecute a taxation case for the Department of National Revenue, we may well retain outside counsel but then the cost of that litigation is charged to that department. Similarly, if we prosecute a case or conduct a case on behalf of the Department of Transport, the cost of that litigation would be charged to that department. I am not able to give a precise figure. It is not reflected in the estimates of the Department of Justice.

The point I am making is that the extent to which we carry on litigation by our own officers, represents a substantial saving to the government and the people of Canada.

The hon. member for Hochelaga advanced by way of criticism the suggestion that there

is not, in the Department of Justice, a sufficiently high proportion of senior officers who are connected with the bar of the province of Quebec. This is a suggestion which I reject absolutely, and I am able to bring proof to support my statement. As I have said, there is a total of 40 legal officers in the Department of Justice. Of this total, 10 are members of the Quebec bar. In other words, one quarter of all the officers of the Department of Justice are qualified civil lawyers and members of the bar of the province of Quebec. At the deputy minister, associate or assistant deputy minister level, may I point out that we do have now a member of the bar of Quebec as associate deputy minister, one of the very senior officers of the department.

The department is now organized so that we have a deputy minister, two associate deputies and two assistant deputies. The position of associate deputy was created last year by an act approved by this house creating two such positions. We appointed to one of those positions a member of the bar of Quebec, a former director of studies in the faculty of law in the University of Ottawa. I therefore think I can say without fear of contradiction that this department recognizes full well, as indeed we should, the importance of having at our disposal and in the employ of the government of Canada a proper proportion of officers who are qualified members of the bar of Quebec with knowledge of the civil code. Indeed, we have a separate and complete section to deal with problems arising out of our field of responsibility under the civil code in the province of Quebec.

In connection with the question of whether or not there has been an unwarranted increase in senior officers, may I also point out to the committee that in 1957 and for several years prior thereto there were a deputy minister and three assistant deputy ministers, one of whom was a member of the Quebec bar. At the present time there are one deputy minister, two associate deputy ministers and two assistants. The picture is therefore not quite that which was presented by the hon. member for Hochelaga. There has not been an increase of two. There has been, in fact, an increase of only one in the senior levels of our department and I think a much more rational and logical approach to the problem of organization of the department.

Then I come to the question that was referred to by the hon. member for Hochelaga and by the hon. member for Maisonneuve-Rosemont, namely the matter of the control of firearms. That is an extremely difficult question. We have had it under active study for over a year now. We have had an interdepartmental committee working on it.

Last year we referred the whole question, with certain informal suggestions arrived at by that committee, to the conference of commissioners on uniformity of legislation, criminal law section, at their meeting prior to the Canadian Bar Association meeting of last year. That conference was unable to arrive at any concrete and agreed point of view so the matter is still before us. We are examining the views of the association of police chiefs and others and it will be our intention to refer it back to the conference again this year in the hope that we may get an agreed recommendation as to what amendments should be made to the criminal law in this respect.

It will be appreciated that, although the enactment of criminal law is the responsibility of this parliament and therefore this government must take the responsibility for recommendations in that field, the enforcement is the responsibility of the provinces and views on this subject are held by large numbers of bodies including municipal as well as provincial police forces. It is therefore not a subject on which you can arrive overnight at hard and fast conclusions as to what should be done.

However, I would say this and what I have to say here is suggested by some of the remarks made by the hon. member for Hochelaga himself when he pointed out—and I am summarizing his words as I recall them—that the police in Montreal have stated that more than 2,000 persons are in illegal possession of firearms. Without for a moment denying that there may be room for improvement and appropriate amendment to the legislation, I suggest that a large part of the problem relates to enforcement. There are in existence now very definite provisions regarding the registration of firearms, making it illegal to be in possession of firearms that are not appropriately registered. Where you find, as is reported here, a responsible authority saying that more than 2,000 persons are in illegal possession of firearms, I think I am justified in saying or suggesting that the answer does not lie exclusively in another amendment to the Criminal Code. Part of the answer, at any rate, lies in the field of more vigorous enforcement of the existing provisions. Indeed, from my own thought and studies, I am led to suggest that in this matter, as in so many cases, the whole answer does not lie in enacting a criminal statute. The provinces and municipalities have authority now to license persons who may carry on certain businesses. One of the businesses that

might be subject to licence—that is the business itself—is the business of selling firearms. As I say, while not for a moment denying that there may be, and indeed there is, room for improvement in the Criminal Code of general application, I suggest that there is also very definite reason for our citizens who are concerned in this matter to ask their provincial and municipal authorities to look at their own responsibility and their own fields of jurisdiction and to ascertain whether in fact, there is not room for some improvement and control within these fields of jurisdiction.

Another matter that was of concern to several hon. members and particularly the hon. member for Hochelaga and the hon. member for Maisonneuve-Rosemont was that of goof balls. I should here emphasize the fact that this matter has been under study for some time. As far as I personally am concerned, it came forcibly to my attention first during the course of a visit to Halifax early in 1958, when, if I recall the events correctly, there had been, if not a death, then certainly some outbreak of violence, which was attributed to the sale to and the use by juveniles of goof balls. Ever since that time the matter has been increasingly of concern. I immediately raised it with my colleague the Minister of National Health and Welfare and again, as he has pointed out and as I have pointed out on more than one occasion, an interdepartmental committee was appointed and it has been studying the matter in the meantime. As was announced earlier by my colleague our studies are now advanced to the point where we have devised what we believe to be satisfactory legislation that will go a long way towards giving a method of control of this very dangerous situation. That legislation will be introduced into this house by my colleague, as I understand it, within a matter of the next few days or probably at the latest within another week. I hope the house will find that it represents a great forward step in the control of the problem of goof balls.

I recognize the fact that it is a matter of years since the problem first began to be discussed and first began to be one of real concern to municipal and other responsible agencies. I can only say that in fields such as this effective and acceptable legislation is not a matter of hasty drafting or hasty enactment. Here you are dealing with a problem of drugs, namely barbiturates which, legally and properly used are perfectly proper and legal and indeed salutary medicinal aids. You therefore do not enact out of hand and without consideration legislation which will make their use illegal or ban them in certain circumstances and in certain cases. Legislation of this type requires exhaustive and careful study and consultation between representatives of the department of health and welfare, the medical profession, the police and other enforcement agencies, municipal bodies, licensing bodies and so on before you can come up with a statute which you can with confidence recommend to the House of Commons as being appropriate legislation to enact. So I have no apologies to make for the time it has taken. I believe we now have satisfactory legislation which will be introduced in a matter of a few days by my colleague the Minister of National Health and Welfare.

On the question of rehabilitation, which was also referred to by the hon. member for Maisonneuve-Rosemont, I have only this to say. I am in thorough agreement with what he himself said on that score. Indeed our whole penal reform program, designed as it is to enable us to rehabilitate so far as we can the inmates of our institutions, is of greatly diminished value if, having done that, we find that those who leave our institutions as, we hope, better men than when they went in, are not accepted in society. That will undo and negate the whole purpose of the program and I have been at pains in all my public speeches on this matter, wherever appropriate, to emphasize the responsibility of society in this regard as well as the responsibility of government.

The responsibility of government is a responsibility on behalf of society to design and implement effective programs of training and rehabilitation, but we cannot fulfil the role of society itself, which is the role of understanding and of acceptance. What we can do is ensure so far as possible that when a man comes out he is ready to resume his place in society; but unless society is prepared to give him a chance, the best program in the world will be defeated.

All I can say there is that I agree thoroughly with what the hon. member has said and express the hope that as our correctional reform program becomes better understood, and as its results become more obvious, there will be a corresponding and increasing acceptance by society of those who are what I might call the graduates of that program. But with respect to the program itself, as I have said, I would prefer to wait until we reach the penitentiary item, when I shall be able to make what I think will be an interesting and encouraging report to the committee on the progress made to date.

Mr. Fisher: Mr. Chairman, there are a number of questions I should like to put to the minister, in general covering the area of his responsibility. I should like to start off by asking him what his view of this particular statement is:

"Too often and for too long in this country one of the qualifications of a judge, aside from ability, is political competence... I suggest that a move towards elevating the judiciary would be a declaration by the attorney general and Minister of Justice of the country that from now on, within reasonable limitations, political qualifications shall take second place to ability, capacity, judgment and the possession of the faculties that result in a judiciary so necessary to the maintenance of our security and our freedom".

I suppose the minister recognizes that statement and knows who made it. It was made by the present Prime Minister, in 1948, and it is contained in an editorial in the *Gazette* of February 7, 1961. I want to ask the minister, in relation to the vacancies and the opportunities which exist, whether he agrees with this point of view expressed by the Prime Minister and whether he can assure us that at least a portion of the judiciary he has appointed or is planning to appoint is not composed primarily of members of the Conservative party.

We would be very interested in knowing, in view of this high-minded statement made by the Prime Minister, whether the minister can indicate if some of them are absolutely not connected in any way with politics. I ask this question just as a matter of interest.

I wish to ask another question in this same field but perhaps from a different point of view. The other day the Associate Minister of National Defence was very candid to us in the house in pointing out that, like the Liberal opposition when they were in power, this government recognized its friends; it could see its friends more quickly than it could its opponents.

In relation to the lawyers that the minister hires, I wonder whether he could give us the assurance that those lawyers who are being hired and who have been hired to handle these various cases of which he gave us statistics are friends of the government in the sense that—well, I think the minister understands the sense in which I speak. I ask this question because so often people say to me, "Why is it that there seem to be so many lawyers in politics?"; meaning, I suppose, not necessarily as active politicians but associated with parties. In all the small towns and smaller cities they seem to form the nucleus of the structure of either the Liberal or the Conservative party. The other day when I was in Peterborough somebody was setting out who the bigshots were in the Liberal and Conservative parties. In each case it seemed to be a little cluster of lawyers.

Mr. Grafftey: What is wrong with Frank Scott?

Mr. Fisher: Someone says, "What is wrong with that?" I am not suggesting there is anything wrong with that, but I am always looking for an explanation to give people who raise these questions. One of the answers I always give is, "Look", as Marx said, "for the cash nexus". It pays a lawyer to be connected with one of the "in" parties, and especially one that is going to be in because he can count on getting some work from them. I just wondered whether the minister could assure us that these fees which are paid to outside lawyers are not only going to lawyers throughout Canada who are friends of the party.

The other question I wanted to ask the minister was this. I wondered whether the minister could give us some report of his negotiations with the attorneys general of the provinces in relation to ways to amend the British North America Act. It is very difficult to understand what is happening by following the press reports, and I do not believe the minister has given the house a comprehensive statement in this regard. It is very difficult for us to appreciate just what are the obstacles and what are the positions of the various parties. I know the minister would not want to interpret what may be the position of Saskatchewan, Quebec or Ontario, but perhaps he could give us some idea of the negotiations which have taken place and what the difficulties seem to be that are preventing a breakthrough.

There is one other point I wish to bring to the attention of the minister, and I must in a sense apologize to him for this. Several years ago when the minister introduced amendments to the Criminal Code relating to obscene publications I was one of those who feared that this could open the door to a great deal of censorship of material that had literary merit. However, so far the legislation has been almost completely ineffective, and I say quite candidly that I am delighted that this is so.

One of the things I have come to appreciate more and more is that if censorship in Canada is to get any real toe-hold it will be done through the Department of National Revenue and the customs officials. I am delighted to see that in this particular area the present minister has been much more liberal than ministers and officials of the previous government. I am not saying this lightly or without any—

Mr. McGee: Mr. Chairman, I wonder what the hon. member means by saying that the legislation has not been effective. Presumably this legislation was designed to keep out smut and salacious literature. If this material is not coming in, the legislation is being effective.

Mr. Fisher: My point with regard to this, as the hon. member knows from what I said last year when the legislation was going

through, is that these amendments to the Criminal Code could put into the hands of very narrow minded justices, and particularly magistrates, in provincial jurisdictions powers that would ultimately lead to the censoring of material for the whole country.

I am very pleased to see that, so far as I have been able to find out, there has only been one case. That is in a sense one where there is a really ridiculous element, because I have learned from the publishers that there are at least 250,000 copies of this particular book, D. H. Lawrence's "Lady Chatterley's Lover", in Canada at the present time. I have an estimate by several publishers that there are at least 250,000 copies of that book in Canada. That is a tremendous circulation for any book to achieve at the present time in this country, so it would be really ironical if any judicial process were to lead to the banning of a book so many copies of which are already in existence here.

One of the aspects of smut or pornography with which the legislation was supposed to deal used to obsess the minister a good deal when he was sitting in this house as a private member; I refer to the field of comics, and picture magazines dealing with various sadistic poses and various aspects usually of the female form. I, myself, could wish that the legislation had been more effective in dealing with publications of this type. I know that in Ontario the attorney general has set up a most curious quartet of people whose job it is to advise him as to what is on the newsstands and to examine any material which they believe should be brought to the attention of the attorney general as likely to provide grounds for proceeding, as I understand it, under this part of the Criminal Code. Again according to my understanding of how this arrangement is working out, in over two years this quartet has still not made a single recommendation. I am not being critical of this but I do know they have had huge quantities of these picture magazines before them—all the various things that are put forward as obscene and pornographic—but as yet they have come to no decisions. Some of my more literary friends may say: that is excellent; we are not having any control or censorship, and you should be grateful. But I should like to make a distinction between work with literary or artistic merit, put together within some kind of covers, behind which stand the names of an author and a publisher and the kind of material, particularly of a sadistic nature, which appears in so many of those so-called men's magazines.

I am certainly not suggesting that we do not need this particular amendment any longer, but I should like to hear from the minister some comment concerning the operation of this section of the Criminal Code and perhaps some explanation from him as to why it has been generally ineffective. It may seem paradoxical that I should welcome the effectiveness of the section as far as books are concerned while being a little disturbed by its lack of effectiveness in the field or men's magazines or the sadistic kind of monthly pot boilers.

Another point I should like to make underlines the reason why in my opinion the minister should give the committee an explanation. If he would recall what he said when he introduced this change in the Criminal Code, I think he will remember using the argument that one reason for this change was that it would lead to the removal of pulp trash from the newsstands. That was the main objective, as I recall it, of the change which was made at that time. I think that is a fair paraphrase of the position he took; the account which appeared in the *Globe and Mail*, at least, confirms my recollection. For this reason I should like to know how this legislation is working out in practice. I realize that the minister could say that this, after all, is something which must be worked out under provincial jurisdiction by the provincial authorities themselves, but it seems to me that to take such an attitude would not be good enough in the light of the promises the minister made at the time the change was introduced. He cannot now wash his hands of what was done. Perhaps he will be able to correct my impression that the amendment is not working very well, but in any case I think he owes the committee an explanation of what is happening.

There are some further remarks I should like to make in relation to the R.C.M.P. and to the Combines Investigation Act but I will wait until the appropriate point is reached in our study of the estimates. I must say, however, that I was startled by the minister's remarks reported from Toronto the other day to the effect—if I may paraphrase them—"please, Mr. Fulton, keep a file on me and some day I shall be able to show how innocent I am". There is an irony in this which I hope the minister will explain when we come to the estimates of the R.C.M.P. I should also like to ask the minister if he would consider giving an explanation which he has come close to making a couple of times in past years about not what is in the file but how the files are retired in so far as the security investigation branch is concerned. It seems to me the minister indicated three or four sessions ago that work was going along to develop a new standard of

appraisal of the files which are kept. I should like to hear later from the hon. gentleman what he has to say on this subject.

Mr. Jung: Mr. Chairman, I wish at the beginning of my remarks to congratulate the Minister of Justice on the recent announcements which he has made regarding the adoption of a new attitude towards the rehabilitation of criminals. This enlightened attitude towards inmates serving their sentence in penal institutions deserves great praise because rehabilitation is emphasized and the positive aspect of penal servitude is stressed. I can appreciate the research which is being done by the Department of Justice into all phases of crime and delinquency and I commend the minister for the vigorous leadership which he has given in instituting these long needed studies and reforms. Notwithstanding the great amount of research which has been done into the problems of crime and delinquency, I feel that there is one area in which we still have insufficient information and that is in the field of drug addiction.

The minister will remember that last year, during the discussions of his estimates, I took the opportunity to put on record my grave concern about this problem. I pointed out that out of some 3,400 drug addicts in Canada, half are found in British Columbia and more particularly in the city of Vancouver, and most of their activities appear to revolve around a certain area in my riding of Vancouver Centre.

I mentioned then that there appeared to be a growing number of juvenile addicts. In 1957 for example, there were 25 teenagers in Canada who were drug addicts. In 1958, there were 47, and in 1959 the number had increased to 55. British Columbia had the dubious distinction of having the majority of those teen-age addicts because of the figure of 55, 46 are to be found in my province. I also said and I quote:

> It would appear therefore that apart from teenager addicts there is some tendency towards stabilization in the number of addicts.

I expressed concern for the growing number of teen-age addicts last year and I am afraid that my fears have been justified because in the fifth annual report covering 1960-61 of the narcotic addiction foundation of British Columbia in Vancouver, British Columbia, the report of the director to the chairman of the board of directors disclosed that the number of young people voluntarily seeking help from the foundation had increased from the previous year. This is what the director's report had to say, and I quote:

> The age groups of under 20, and 20-25 years showed an increased percentage of the total, and would tend to confirm the impression that the age of onset of addiction is being reduced, i.e., younger people are being more exposed to addicting drugs than they were say five to ten years ago.

A questionnaire compiled by the foundation which was completed by 330 young people in Vancouver revealed information which is disquieting in its implications. For example, 19.5 per cent of the 18 year old males admitted having had the opportunity of using heroin. Of all the persons questioned, 56 per cent stated that they had had their opportunity to use heroin when they were drinking.

The questionnaire created some controversy in Vancouver, and some quarters have questioned the interpretation of the results of that questionnaire. Without entering into the merits of the argument, I feel that the foundation should be congratulated for having the courage to persist in conducting research into this most complicated problem.

The 330 young people who received the questionnaire included persons in the 15 to 18 year old group. Some of the information gained is startling. For example, 12.9 per cent of the 17 year old girls believe that there is no harm in occasionally using heroin, and to the question "Have you had an opportunity to use heroin yourself?", 5.9 per cent of the females aged 16, 11.6 per cent of males aged 17, and 19.5 per cent of males aged 18 replied "Yes".

Another question was included dealing with the availability of illegal drugs. It asked "Do you think you could get some narcotic drug illegally if you wanted to?" To this question 47.9 per cent of 16 year old males, 38.9 per cent of 17 year old females and 66.6 per cent of 18 year old males replied "Yes". These figures are alarming, and I hope there will be an opportunity to conduct a more comprehensive program of education and research.

The Vancouver *Sun* on May 3, 1961 reported that the senior councillor of the foundation stated that of the 285 addicts treated at the foundation during a two year period, it was disclosed that almost one half the group were addicted before their twentieth birthday, and he estimates that there are now 200 addicts under the age of 21 in Vancouver. I shall have more to say on this subject when the narcotics bill is brought forward by the minister.

I should now like to say a few words regarding the subject of increasing the salaries of judges. Let me say at the outset that, while I believe the salaries of judges are, by and large, already adequate, bearing in mind the generous pension provisions, I feel there is one class of judge which deserves an increase. I refer to county court judges.

I am well aware that the work of the county court judges varies across the country,

so I base my remarks in regard to the work done by those county court judges serving in Vancouver. I do not want it thought that I feel that the judges of the supreme courts of the provinces, or of the courts of appeal, are not deserving of salary increases, but at this time I think a more urgent case can be made in respect of county court judges. County court judges now receive salaries of $10,500 per year. The jurisdiction of these county court judges is very extensive, and compared with the salaries paid to others, I suggest there is some justification for an increase.

For example, the Department of Citizenship and Immigration has set up a series of naturalization courts across Canada. The presiding judges receive $11,000 per year. As well as the presiding judge, there is an administrator, a principal clerk, senior clerk, a clerk and a stenographer collecting salaries totalling $24,000. Prior to the establishment of these naturalization courts applications for naturalization were heard by county court judges who performed this duty along with their other duties at the salary of $10,500 per year. These judges were assisted by a grade III clerk and a grade I stenographer in the court registry, these two persons receiving salaries totalling $6,000 per year.

I am not casting any aspersions on the judges of the naturalization courts, but it does seem unfair to me that for performing one duty they receive more than a county court judge who has a very wide jurisdiction and, under the Criminal Code and provincial summary conviction act sits as a court of appeal where, by way of re-hearing, hears appeals from judgments of police and stipendiary magistrates. The responsibility of the county court judge is very heavy in these cases, because his decision on the facts is final.

The city of Vancouver has six magistrates with salaries, according to seniority, ranging as follows: $15,000, $13,500, $12,500, and two at $10,750. Some of the junior city prosecutors are in receipt of salaries exceeding those of county court judges. With comparisons such as those, I believe a good case can be made for increasing the salary of county court judges, and I sincerely hope the minister will give sympathetic consideration to my request on behalf of this group of citizens who are forbidden to speak for themselves but who, none the less, have answered a call of duty no less than have members of parliament.

Finally, I should like to say something about the R.C.M.P. investigation into the illegal entry of some Chinese into Canada. In so doing, I want to urge those Chinese, who have entered the country illegally, to come forward and regularize their status.

[Mr. Jung.]

Hon. members will recall that, almost one year ago, the Minister of Citizenship and Immigration made a statement in the house to the effect that it was not the intention of this government, in connection with the current investigation, to prosecute or deport from the country any Chinese presently in Canada who have not themselves engaged in assisting other Chinese, apart from their own relatives, to enter Canada illegally. It is reasonable to assume that the R.C.M.P. must have had knowledge of these irregular entries. It is also reasonable to assume that if the R.C.M.P. were to proceed against these people in the usual manner, a substantial number of arrests would be made.

There are some individuals who think, because the R.C.M.P. have not made mass arrests, the government does not have any real evidence of large scale illegal immigration. Others construe the lack of arrests as a sign of weakness on the part of the government. Arguments have also been advanced that these Chinese people really have not broken the law in telling minor lies. I should be the first to agree that it would be very difficult to make out a moral case against the majority of these Chinese, because the Immigration Act, as it stands, was, and is, unduly restrictive.

I suggest that if the Immigration Act had permitted the early Chinese immigrants to bring their wives into Canada with them, none of this trouble would have started. Anyone who has been away from home for a long time, as for example, during the war, can understand how lonely persons can become after a few months' separation from their families. Imagine the unhappy state of affairs for those Chinese who were separated often as long as 20, 30 or 40 years from their wives and families. I suggest that had wives been allowed to come in, any children born would have been properly registered under Canadian law, and there should not have been the opportunity to create a fictitious family, which has made it possible for illegal immigration.

In so far as the actions of those people, who were prompted by a desire to rejoin their families, are concerned, it is very difficult to make out any kind of a moral case against them, particularly when they have been good and law abiding citizens since their arrival. I want to emphasize the fact that I limit my remarks to those individuals whose illegal actions were prompted by a desire to rejoin their families, because there is a suggestion that in some cases being re-united with the family was not the guiding motive.

In an article dated April 29, 1961, written by Mr. Robert McKeown, an eminent writer, entitled "How Chinese Are Smuggled Into Canada" he states:

> But the facts that have come to light through the current investigation seem to indicate that in relatively few cases is strong family feeling the basis for illegal immigration. The real cause of the racket is the money to be made from it.

It may be that such is the case, Mr. Chairman, but in all the cases that I have brought to the attention of the department a family relationship was established. I am not denying the truth of Mr. McKeown's statement, but because of my experience in a substantial number of these cases I want to put on record my impression that reunification with the family or some member of the family was the underlying factor. Indeed, in an article also published on April 29, 1961, in the same *Weekend Magazine* and entitled, "I Was An Illegal Immigrant", the author of that story said that his father died in the war with Japan and that his grandfather who had been in Canada since 1910 had helped his mother and brother by sending money and it was his grandfather who conceived the idea of him coming to Canada. Why did this young man come to Canada? Because his grandfather obviously could not go on forever supporting him, his brother and mother. As this anonymous author said, "I am working again in a restaurant and sending money to help my family who have got to Hong Kong from Toy Shan. My grandfather helped them for so long and it is right that I should help them now."

I think the government recognizes that there is this difficult humanitarian problem and that is why the minister announced the amnesty provision. It is not and has not been the intention of the government to prosecute those who came into the country illegally if that person was not an active agent engaged in making financial gain from such transactions. I can speak from personal knowledge in this regard because not one of those people whom I have advised to make voluntary statements has been arrested, fined, or deported by the Canadian authorities.

By regularizing their status these people can resume their proper names and identities and they can be granted proper landed status. In time they will also be able to apply for the admission into Canada of members of their family. The heavy fear of arrest is also removed and they are able to enjoy the benefits of living in this country. However, there has been some reluctance on the part of some to come forward because they fear that they will implicate others whom they consider as friends and benefactors.

Those who come forward voluntarily and make a full statement have everything to gain. This government, far from prosecuting the Chinese in Canada, has taken the unprecedented step of extending amnesty. But the period of amnesty cannot, in my opinion, go on forever. No matter how charitable a government may be, you cannot hope forever for special treatment when, after all, the law has been broken. Unfair though these immigration laws may have been and no matter how strong a moral case may be advanced for the actions of certain Chinese, the fact remains that the law has been broken. Two wrongs do not make a right.

It may well be that if more people in the Chinese communities across Canada had worked together earlier in order to urge a change in the immigration laws, these unfortunate incidents might not have happened. One could be tempted to say that such representations were made by certain individuals but they were not well received by the previous administration. If I were to say that, I would also point out that we in this party have not done as much for Chinese immigration as I had hoped, even though I understand that the present act is being amended.

The R.C.M.P. have had a difficult task in this investigation. By and large I think their conduct is commendable. However, I have reports that some who have worked with them in this investigation have not fully understood their position, but it is my understanding that where such cases have been reported prompt action has been taken to ensure that those persons concerned were instructed as to the exact nature of their duties and their spheres of responsibility.

I think that the R.C.M.P. have acted with great restraint because under section 16 of the Immigration Act they can arrest anyone whom they have reason to suspect of being in the country illegally. The power is there. The fact that the R.C.M.P. have not used it should not be construed as lack of evidence. Far from showing weakness, I think that the government is demonstrating a high degree of sympathy and I would be reluctant to think that advantage was being taken of this attitude and that the investigations were being unduly delayed by passive non-co-operation.

I regret that I have spoken at length on this subject. You can appreciate, Mr. Chairman, that it is a painful subject for me. But because I believe strongly that the law must be obeyed no matter how unpleasant it may be or until such time as it is changed, and also because I feel that Chinese who have entered the country illegally have nothing to lose and everything to gain by regularizing their status, I have taken this opportunity

to bring these facts before the house so that we will all exercise moderation and understanding in this difficult time in the history of the Chinese communities in Canada.

Mr. Benidickson: May I ask the hon. member a question? I appreciated his statement, but he indicated that there might be in the future, and he did not define what he meant by the future, a time when this immunity might cease. He has closer connections with the Minister of Justice than I have these days and I wonder whether he would indicate to the committee what his opinion is as to the possible time when this immunity might cease?

Mr. Jung: Surely the hon. member for Kenora-Rainy River would not expect me to announce government policy. I think that question should properly be directed to the minister. What I have said is based purely on my own personal assessment of the situation as I see it.

Mr. Carter: Mr. Chairman, I want to take a few minutes to reply to one of the arguments the minister made this afternoon. Before the committee rose for the supper recess the minister ridiculed Bill No. C-76 which I introduced on March 22. He said the bill was a monstrosity, that it did not accomplish anything, that it merely repealed an act and re-enacted it again and therefore it was a farce. The minister makes bald announcements but he never backs them up with any quotations or evidence and he never cites any authorities to support his words. The minister's pronouncements do not become truth just because the minister utters them. I am not prepared to accord infallibility to the minister and the more I listen to him the more convinced I am of his fallibility.

I should like to put before the committee this evening two precedents that I think are analogous to the bill which the minister has described as a farce and a monstrosity. There was a time before the Statute of Westminster was enacted when certain laws of the British parliament applied in Canada. The Canadian government did not like that situation and sought to remedy it. So certain laws were passed which we thought would correct the situation. In one instance we brought into effect a section of the Criminal Code, the old section 1025, I believe, which contained a clause that there would be no appeal from any sentence or judgment passed under that section.

Another one was the Supreme Court Act which contained a clause to the effect that the judgment of the supreme court would be final. In spite of all this, these laws were not effective in supplying remedies because they were declared ultra vires. In spite of our own laws which we had passed here in parliament, cases and appeals were still taken to the British privy council.

Finally, the Statute of Westminster was passed—I think it was about 1931—and that statute contained a clause giving effect to future laws passed in this House of Commons from that time forward. But the Statute of Westminster validated only future laws that were passed in this house. It had an effect on future laws similar to the effect the bill of rights will have on laws passed in the future after the bill of rights was put on the statute books. There is quite a good analogy there.

These two examples which I have cited, the section of the Criminal Code and the appropriate clause of the Supreme Court Act, were brought before this house, repealed and re-enacted in exactly the same way as I sought to do through Bill No. C-76. If what I sought to do was a monstrosity and a farce, well, there is a very good precedent for it. It was necessary to follow this course because the Statute of Westminster applied only to future laws, so the old law had to be re-enacted. It was re-enacted in exactly the same form. There may have been a change in a word or a phrase, but there was no change in the intent, no change in the meaning and no change in the force of the old act. To all intents and purposes, it was exactly the same old bill which was brought in, repealed and re-enacted. This is what the minister says is a farce and a monstrosity.

Just as the Statute of Westminster was not in existence when the old laws were passed and future laws came under its influence, so there was no bill of rights in effect when the old Fisheries Act was passed but the passage of the bill of rights created a new situation which was similar to the situation created by the passage of the Statute of Westminster. I cite these cases to the minister, and I ask him to place on *Hansard* similar authorities, similar precedents, to bolster the argument he has made.

The minister keeps shifting his ground. He does not reply to the arguments that are made. The other day when the minister intervened in the debate with relation to the amendment to the Fisheries Act, he said Bill No. C-76 was not properly before the house. Today when the hon. member for Skeena had him backed into a corner by intimating the minister had been derelict in his duty by not submitting a report on the bill as the law required, he shifted his ground and said a decision had not been made. There was no ruling as to whether or not Bill No. C-76 was

properly before the house. This question was still under consideration by Mr. Speaker and by the house leader. Well, this bill was introduced on March 22 and today is May 25, which means this consideration has been going on for eight weeks.

I am, therefore, a bit curious about this report the minister is required to make under the bill of rights examination regulations and when the minister replies I want to inform the committee just exactly what the purpose of this report is. If the committee is not to make use of it or if we are not to have the benefit of it in considering legislation that comes before the house, what purpose does the report serve? I want to tell the committee that when I introduced the bill I did so in good faith. When the minister replied to my argument this afternoon, he kept emphasizing only one part of my statement. I said that I had introduced this bill to bring it into conformity with the bill of rights but I also stated it was to bring it into conformity with the report which the minister was obliged to make on this bill.

I could have followed my own ideas about changes in the bill which I thought might take care of any inconsistencies with the bill of rights. However, if there is to be a report handed down by experts who have studied not only the particular clauses in which I was interested but the whole bill, surely the sensible thing to do if we want to do a good job on this legislation as we put it through the house, is to get the best ideas we can about it. If I made a mistake, it was in taking the minister's report at face value. I thought it meant something and I thought it was for the purpose of guiding the members of the house in doing the best job we could on the legistlation that comes before us. If that is not the purpose of the report, I cannot see what other useful purpose it serves. I certainly would like to have the minister enlighten me on this point when he replies.

(Translation):

Mr. Valade: Mr. Chairman, I should like to take this opportunity to call the minister's attention to the rather irregular way the R.C.M.P. carries out certain investigations.

I have been told that, with the help of the food and drug branch of the Department of National Health and Welfare, the R.C.M.P. makes investigations in establishments where pharmaceutical products are sold, especially in retail drug stores. Yet, the way the constables do their work, they should not be called investigators but instigators. Indeed, under false pretences, they succeed in getting special drugs from people who act in good faith, professional pharmacists whose only care is to exercise their profession conscientiously and do their duty by serving the public well.

Constables present themselves as sick people and pretend they have forgotten their medical prescription or that they are strangers visiting relatives and that they urgently need the drugs. They play on the druggist's sympathies so that the latter, moved by their plight agrees to give them without a prescription, drugs which call for one.

Mr. Chairman, I should like to draw the minister's attention to two particular cases which happened recently in the Sherbrooke district, in the province of Quebec. R.C.M.P. constables went to a drugstore and told the pharmacist that they were on a trip and did not have a medical prescription for certain drugs they wanted. Out of sympathy for those supposedly sick people, the druggist gave them 12 tablets. Needless to say, that in both cases, the R.C.M.P. laid charges against the pharmacists who are highly respected in the profession and who render great services to the public. They were brought before the court and had to pay a nominal fine but it remains, sir, that this use of false pretence with druggists who act in good faith, who are conscious of their obligations, is what I would call a disgusting behaviour, if it did not reflect upon those who use such means to succeed in their investigations.

Consequently, I would ask the Minister of Justice if he could not impress upon the R.C.M.P. that its constables who are in the employ of the Department of Justice should not instigate honest people to break the law.

Mr. Chairman, since I am not a lawyer I feel I am in an advantageous position to make this second point which I should like to bring to the attention of the hon. members of this house. The general public are sometimes justified in complaining about the slowness of court proceedings. Indeed, people who have to go to court, sometimes have to wait one, two and even five years before their cases are heard and passed upon. Such a delay in the proceedings is highly prejudicial to the taxpayers, that is to the Canadian people, and especially to those whose interests are at stake.

I personally know people who suffered serious money problems before they could obtain justice.

I would therefore ask the Minister of Justice whether he could take steps to increase the number of judges so that justice could

be rendered more expeditiously, thus insuring better protection and greater justice to the Canadian people.

(Text):

Mr. Fisher: I have brought to the minister's attention the fact that I should like from him an explanation of his speech in Toronto and his views on R.C.M.P. security. Just a moment ago I went to the reading room and found that one of his old friends and associates who worked together with him on "Freedom Wears a Crown" by John Farthing, namely Miss Judith Robinson, in the *Telegram* has a comment on this very point. I thought he would be interested in hearing those observations and I thought it would help him to understand the point I was getting at. Miss Robinson in her column of today says this:

Last week end in Toronto Hon. E. D. Fulton, Canada's Minister of Justice, opened a new line of thought. He was explaining, to a dentists' convention, "the role of the police in a non-police state." Security dossiers on private citizens could, Minister of Justice Fulton said, be very useful in that role:

Then we have a quotation which I assume is from his speech.

"If slanderous rumors have been circulated about an individual and the police investigate and find him to be loyal and honest, then his file proves this fact," Mr. Fulton said.

"If his integrity is ever in doubt again, his file would attest to that," Mr. Fulton said.

Mr. Fulton did not say to whom it would attest or to whom it would prove; which makes it confusing. In old days the member (P.C.) for Kamloops made a good battle in parliament against an R.C.M.P. habit of leaking information from police security files. He was one of the freedom fighters who, in the parliamentary session of 1954, pursued another minister of justice until they cornered him on that issue and forced him to a statement:

"That it is government policy to forbid the giving of information to private citizens from secret police files."

So it would be strange if Minister of Justice Fulton's remarks in Toronto last week end meant what they seem to mean. It would be regrettable if he were really saying that information from police security files could be used to attest to any fact or prove anything, good or bad, to any citizen, about any citizen except under oath and in a court of law.

The courts are open to Canadians whose loyalty and honesty are impugned by circulators of slanderous rumor. Police, as Davie Fulton once knew, should have no power to attest to anything anywhere else. The quickest way to change a non-police state into a police state is to lift that limitation. Citizens are not dependent on character references from secret police files in a free country.

This also Canada's Minister of Justice knew before he was Minister of Justice.

Nothing like old *Hansards* for checking new speeches. 'Twas just such a spring as this seven years ago when the M.P. (P.C.) for Kamloops, E. D. Fulton, took after the government of Canada on its security procedures. He found them dangerous.

In the civil service an anonymous "security panel" of government employees, acting on secret information from secret sources had power to deprive men and women of their jobs without appeal and without giving reasons for dismissal.

In the Department of Justice security files were not being kept secret. As a case brought up in the house revealed, R.C.M.P. officers felt free to leak, and had leaked information from secret files to a potential employer about a Canadian citizen's past political associations; all completely lawful.

The member for Kamloops spoke strongly and followed a clear line in condemning this sort of thing. The government's security measures he said had in them "all the elements which make them potentially unfair."

The house, he said, was entitled to know "that there will be the maximum possible fairness to the individual who may come under security investigation."

It was inherent in our whole system of justice, he said, that a man suspected "should have an opportunity to know the case against him and answer it."

The question is do the principles of justice apply in the use of police security files which the Minister of Justice was reported as recommending in Toronto last week end. On the evidence of *Hansard*, it seems unlikely that the member for Kamloops would have thought so, back in 1954.

As I say, this expresses the point about which I should like the minister to speak later much better and more succinctly than I could express it. I hope the minister will be prepared to give us an appreciation of this position put by his former co-author, I was going to say, but certainly his co-worker on that great book by John Farthing entitled, "Freedom Wears a Crown".

(Translation):

Mr. Eudes: Mr. Chairman, I should like to make a remark in relation to the point just made by the member for Burin-Burgeo (Mr. Carter) and to this afternoon's discussions regarding the powers of revision and assent which the Minister of Justice must exercise on the various bills which are submitted to parliament, under the authority conferred upon him and the responsibility placed upon him by the bill of rights.

Section 3 of chapter 44 of the 1960 statutes provides, and I quote the English version because I do not have the French one:

(Text):

3. The Minister of Justice shall, in accordance with such regulations as may be prescribed by the governor in council, examine every proposed regulation submitted in draft form to the clerk of the privy council pursuant to the Regulations Act and every bill introduced in or presented to the House of Commons, in order to ascertain whether any of the provisions thereof are inconsistent with the purposes and provisions of this part and he shall report any such inconsistency to the House of Commons at the first convenient opportunity.

(Translation):

One is justified in the conclusion that the Minister of Justice is required to examine only those bills which are referred to him since the assent to that bill.

However, Bill C-76, which was put forward by the hon. member for Burin-Burgeo in the present session for the purpose of amending the Fisheries Act to make it consistent with the bill of rights shows the need to clarify this section of chapter 44 of our statutes. Proof of this need is found in today's debates, in the long discussions that took place in the house when the bill was considered, and in an elaborate ruling made by Mr. Speaker on March 27, 1961, in connection with Bill C-76.

The minister might perhaps consider amending section 3, to make it compulsory for him, as Minister of Justice, to examine not only the bills submitted to parliament since the date of assent to that bill, but to revise already existing legislation, in order to give assurance to every citizen that it is in all respects consistent with the rights and privileges to which he is entitled under the Canadian Bill of Rights.

(Text):

Mr. Howard: Mr. Chairman, before the minister replies to some of the questions that have been raised I should like to mention briefly one of the subjects which the hon. member for Vancouver Centre raised, namely the question of narcotic drugs addiction.

The hon. member for Vancouver Centre read what I believe was an article from the Vancouver *Sun*. I saw the results of a survey in the city of Vancouver with regard to high school students and their attitude toward the use of narcotics. The survey gave the number of high school students who have tried narcotic drugs, and how they could obtain them if they so desired.

I think one of the most shocking results of that survey, apart from the age of the people concerned, was that a fairly large number of them felt there was nothing injurious or wrong in the use of these drugs; they felt they would not suffer any harmful effects from the use of narcotics. They seemed to look upon trying out narcotics in somewhat the same light as a child of a similar age or younger looks upon smoking a cigarette, as being relatively harmless; making one nauseous perhaps, and a little green around the gills, but beyond that nothing too serious involved. I think this is extremely unfortunate and is a very strong condemnation of the past attitude at both federal and provincial levels of government and on the part of others toward the question of the use of narcotics.

I think perhaps every narcotic addict, at least during the early days of using drugs, is of the opinion that they are not harmful, they are not addictive and he is not really a slave to the drug; that he can, as the expression goes, "kick the habit" any time he feels like it. This, of course, as everyone knows who has paid even the slightest bit of attention to the problem, is simply not the case.

I think there is an extreme need in the field of public discussion and education to impart knowledge of the fact that tremendous dangers exist from even thinking in terms of experimenting with a narcotic drug. I think a great deal of public discussion, information and education must flow from the federal and provincial authorities, from various social workers and the like to enlighten as many people as possible about the extreme dangers inherent in the use of narcotic drugs.

I think in Vancouver, or on the west coast, there is the largest concentration of known criminal addicts, as I believe they are called, anywhere in Canada. The largest population in any penitentiary in Canada of those convicted of possessing or trafficking in narcotics is also in the British Columbia penitentiary and in the provincial jail at Oakalla. In neither of these institutions—at least, certainly not up until the last few months—has there been any opportunity or even, I submit, any great desire toward segregation of narcotic addicts from other classes of inmates.

No attempt has been made at segregation and there is no possibility of segregation because of overcrowding both in the penitentiary and in Oakalla. There has been no approach to the treatment of these individuals and no treatment whatsoever other than, if this is a treatment, isolating an addict from narcotics by having him institutionalized and thus making as sure as possible that he does not have the opportunity of obtaining drugs while he is in the institution.

However, this is not always the case. I think there have been a number of instances where this has not been the case. It is common knowledge in Vancouver that it is possible to obtain narcotic drugs in the Oakalla prison farm and there have been instances of guards in penitentiaries providing these drugs.

One instance which comes to mind is the case at Kingston penitentiary a year or so ago. A guard at the Kingston penitentiary was arrested and charged with being in possession of narcotics. He had them in his possession when he was entering the penitentiary to work. I understand that individual was acquitted, but nevertheless this is one instance that comes to mind. I have also heard in the past of attempts being made to smuggle narcotics into the British Columbia penitentiary.

This is understandable too, because as I said, there is no effort at treatment and

there are no facilities for treatment. The only approach taken to the poor individual addicted to narcotics, if he is caught and convicted of being in possession of them, is to put him in a penitentiary. This is all that has been possible under our system.

I understand that as soon as the minister took office he and his colleague the Minister of National Health and Welfare, paid a great deal of attention to this question. I gather they have had conversations with provincial authorities, because they are involved in so far as the question of treatment is concerned.

I think before we proceed further with the various items of the estimates it would be of great interest to the committee if the minister would give us an account of the progress being made toward the establishment of narcotic addiction treatment centres, how long it may be before such centres are established, where they may be established, and all the other necessary information to apprize the committee of the actions being taken in this direction.

While I am still on my feet, Mr. Chairman, I should like to pose one other question to the minister. I wonder whether the minister could explain to the committee, say for the period of the last year, what have been the duties, responsibilities and functions assigned to the Solicitor General in so far as his work within the department is concerned.

Mr. Fulton: Perhaps I might deal with the various points which have been raised in the order in which they were raised, beginning with the comments and queries of the hon. member for Port Arthur who was concerned with the question of the efficacy of the Criminal Code provision against obscene literature. The hon. member suggested that because there have not been large number of cases before the courts the legislation has not proven very efficacious. Might I suggest to him that such a situation might, in fact, prove exactly the opposite of his conclusion. It might well indicate that the legislation is so effective, especially in dealing with the class of material with which it was mainly designed to deal—the pulp trash—that numerous prosecutions have not been required because an appreciably smaller quantity of this stuff is getting into the stands throughout this country. I do not make that statement as a categorical statement, but I leave it with the hon. member as a suggestion indicating that the legislation is having its desired effect quietly and without fanfare.

I do know that I and my department used to receive, up to two or three years ago, a large volume of this stuff from people concerned with these "girly" magazines and other trash reaching the newsstands. We had a substantial "library". I had one in my office and used to get embarrassed about it and put it away in the bottom drawer of my filing cabinet. My officials had a similar "library", if one can dignify it with that word. But mail of this kind has fallen off to a mere trickle and this may well indicate that this stuff is no longer in mass circulation. I think it is open to that interpretation.

I, too, am glad that so far as works with respect to which there may be genuine differences of opinion as to whether or not they possess artistic merit are concerned, they have not been swept away in undiscriminating fashion and declared to be obscene. The case to which the hon. member referred—"Lady Chatterley's Lover"—is going to the highest court. I think this is the way it should be. I think this also shows that the judges in Canada are not, as the hon. member feared they might be, apt to approach this matter with closed minds, throwing out anything new which anyone had said on the subject. At the same time I would draw attention to a judgment given by Mr. Justice Parker in the Yukon Territory in connection with a series of pulp magazines in which, as I recall it, in every case he found them to be obscene within the meaning of the new definition in the code.

The hon. member also asked me to make some comments in connection with security and the activities of the R.C.M.P. May I ask him to allow me to defer this until we reach the R.C.M.P. item at which time I shall be prepared to have a full discussion on security and all the other activities of the R.C.M.P.

The hon. member for Burin-Burgeo endeavoured to raise again the controversy we had earlier regarding his bill and the effect thereon of the bill of rights and my obligation to report thereon under the bill of rights. I am not going to revive this controversy. I am simply going to say, in respect to his assertion that I never quoted any authority in support of my position, that the hon. member had not been listening carefully to what I said. I quoted the Speaker of this house and I quoted what the hon. member himself had to say when he introduced his bill. My position has been throughout, and still is, that this bill was introduced on the basis of an explanation given to the house which does not accord with the facts. I have never shifted ground from that position and I have no reason to do so however the hon. member may seek to change his position. It is a fact that leave to introduce the bill was given on

the basis of a misunderstanding induced by that explanation, and rather than attempting to justify himself I think the hon. member should apologize for having treated the house in that manner.

The hon. member for Skeena raised a question of narcotic addiction, or followed up the reference made to narcotics by the hon. member for Vancouver Centre. He reminded us of the long period during which there was no adequate provision for the treatment of narcotic addicts and no provision for the segregation of criminal addicts in our penitentiaries. With that, I thoroughly agree. With respect to the program we have in mind I would draw the hon. member's attention to the official policy announcement I made in this house on my own behalf and on behalf of the Minister of National Health and Welfare on January 24 of this year. I would be fully prepared to have a discussion on our program with respect to narcotics on the penitentiaries item. The hon. member will appreciate that under the Opium and Narcotic Drug Act the main responsibility is borne by the Minister of National Health and Welfare but my colleague and I have reached a workmanlike agreement with respect to this matter under which he assumes primary responsibility for the legislation regarding the control of narcotics while I assume responsibility for that part of the legislation which deals with the custody and treatmnt of offenders under the act. So I shall be prepared to discuss our program in that regard when we reach the penitentiaries item because our program for treatment will be undertaken by the penitentiaries branch.

I might also add that the bill substituting a new measure for the Opium and Narcotic Drug Act will be introduced in the house within the next week or ten days. It carries out the policy statement that I made. However, I think we could have a useful discussion of this question on the penitentiaries item without too much anticipation of what the legislation will provide.

With regard to the work of the Solicitor General I should like to say in unequivocal terms that my colleague the Solicitor General does extremely valuable work in the department and for the cabinet and the government generally. The Prime Minister, approximately a year ago, gave a full answer to questions asked with regard to the position of the Solicitor General and I do not think I have anything to add to it. The position of the Solicitor General is a traditional one and it is one which both by tradition and by the character and ability of the present encumbent is a most important and valuable position in the cabinet and the government of Canada.

Mr. Howard: Mr. Chairman, I wonder whether I might ask the minister a question? He has made reference on two occasions to legislation which will be introduced within a certain period of time. Could the minister indicate to the hon. members of this committee when they may expect the introduction of the revised Penitentiary Act?

Mr. Fulton: Mr. Chairman, I should again say, within a matter of the next week.

(Translation):

Mr. Denis: Mr. Chairman, just a brief remark before proceeding any further with the study of the estimates.

I listened with attention to the remarks of the minister in reply to suggestions made by the various hon. members who rose on this matter.

What particularly impressed me was that his remarks were to the point. Certain claims were made by the press and the radio. Hon. members themselves asked for an amendment to the Criminal Code so as to put a stop to certain crimes which are being committed in this country.

To my mind, all the suggestions made by hon. members today had already been formulated last year, and every time the Minister of Justice answered, he said that "it was being considered," and that "an investigation was under way".

Every year, we come back to the matter, which means that in spite of the requests made by the general public nothing is being done to amend the Criminal Code in that way.

Barbiturates and narcotic drugs have been mentioned, for instance, as well as addiction, and the crimes committed by addicts. The hon. member for Outremont-St. Jean (Mr. Bourque) used to take up the matter every year in order to call the minister's attention to the many abuses and acts of violence due to drug addiction.

Again, the minister just answers that things are being studied, that some project is under consideration—always under consideration.

Last year, as well as two years ago, several hon. members rose in this house to protest against the use of premium stamps. Last year, the minister said that a certain case was being considered as a test case. Moreover, he mentioned that the matter was under the jurisdiction of provincial attorneys general. To sum it up, he gave all sorts of answers and shifted the responsibility from this government to somebody else's shoulders.

Nothing is easier, it seems to me, than to get in touch with the various attorneys general of the provinces for the purpose of

reaching an agreement on the subject, making an arrangement to stop once and for all the abuse of gift stamps which, as various speakers have pointed out, are profitable only to large stores, trusts and chain stores, while the small corner grocer has to supply services not provided by those large stores and therefore is unable to sell at lower cost and giving stamps such as are given by the large chain organizations.

Here again, the minister has been remiss in failing to satisfy the wishes of a very important group of the Canadian people.

As I pointed out a moment ago, the same thing happened in the case of barbiturates. Every day we see the evil effects of such drugs and of those narcotics which, incidentally, perhaps do not affect the system when taken in small doses, but which, taken in excessive doses, produce the results we read about in every newspaper. Young girls and boys, even from good homes, first yield to the temptation of trying them, and then go on using them and finally go to extremes. They finally bring dishonour to their family and often end up in jail.

One means which would at the same time act as a preventive to crime would be to apply a strict control on firearms. Anyone at the present time, can obtain a firearm without having to register it, and this is true for all parts of the country.

I think we should make it more difficult to get a licence to carry a firearm. Moreover, when an accused is found guilty of robbery or robbery with violence, or of any other offence, an investigation should be conducted to find out whether or not he owns a firearm.

Last year, some members of this house discussed this subject and once more, the minister said the matter was under consideration. He told the house that an investigation had been started. True, but it has never been completed. I fail to understand why, every time a member of the house, whether on the government or the opposition side, asks a question to the minister, he is unable to give a definite or even encouraging answer.

The same applies to the matter of a national lottery. For several years, the members of this house have been asking for the creation of a national lottery. Certain newspapers with a wide circulation made surveys, and in one province in particular the report on one such survey showed that almost everyone was in favour of a lottery, provincial or national. The minister, in view of that almost complete unanimity within an important sector of the population of this country, should take immediate action. I wonder why the minister does not introduce an amendment to the Criminal Code and comply with that request. No, in this case as in many others, the Minister of Justice simply says that he is considering the question or that he is inquiring into whatever request is put to him. But what does he really do? He offers us a mitigated abolition of capital punishment, something nobody asked for. I say that nobody asked for that, except perhaps the hon. member for York-Scarborough (Mr. McGee) because he seems to ride this subject to death, so much so that I wonder whether this question has such a vital importance for him.

However, the hon. member for York-Scarborough is considered an expert in this field, and this enables him to see his picture in the papers and also to appear on television. In addition, this gives him an opportunity of bringing on television his colleagues who are in favour of his measure, except a few who are against it. Besides, we find today that opinions are divided on this subject, among the Conservatives and the Liberals, as well as in the press.

Allow me to point out that last year, as the minister will remember, the matter of capital punishment was brought up and some members on the government side—

The Chairman: Order. The hon. member must remember that the house disposed of that matter yesterday and that, besides, the bill will be brought back before the committee next week.

Mr. Denis: You are perfectly right, Mr. Chairman, but that was only the minor premise to a conclusion to be drawn. As a matter of fact, the point is not only to deal with capital punishment but also to provide for a strict control of firearms, following the findings of a joint committee of the Senate and the House of Commons which sat for a year or two, if not more, and which included Liberals, Conservatives, C.C.F.'ers, Social Crediters, as well as senators of the same political affiliations. Moreover, if I am not mistaken, the Minister of Justice was on that committee.

The committee assigned experts, particularly in matters such as crime in general, hanging, and even degrees in the crime of murder.

I want to underline once again the fact the Minister of Justice was a member of that committee which heard judges, attorneys general, wardens, penitentiary directors, chaplains, criminologists, psychiatrists, etc.

Finally, all the available experts were there to consider any amendment on the three subjects: capital punishment, corporal punishment and lotteries. As the chairman does not want me to over-emphasize these points, I will make no further comment in this respect.

Now this committee, having made a full investigation, submitted its recommendations. I cannot understand why the minister does not follow the suggestions of the committee on which he was sitting, but does just the opposite. I am talking here of the joint committee.

Therefore, what is the use of the Minister of Justice telling us: "We will study the matter and make an investigation", if, the following year, he introduces a bill inconsistent with a report based on the evidence of experts on the matter.

As far as firearms are concerned, I wish to quote part of the evidence given by the chief of police of Vancouver, Mr. Walter H. Mulligan.

This is what he said, as it appears on page 14 of the report. Mr. Fulton himself was questioning:

Q. According to you, is the fact that there is capital punishment preventing criminals from carrying firearms and therefore from becoming murderers?

A. Certainly.

Q. In other words, they do not carry revolvers for fear one of them gets angry or nervous and uses it?

A. Yes.

Q. Is this opinion of yours based on conversations you had with criminals?

A. Yes. I spoke to criminals with long records and that is the opinion they expressed.

There it is, Mr. Chairman, evidence not only establishing the fact that reports are not only disregarded, but that steps contrary to the recommendations they contain are taken.

(Text):

Mr. Howard: Would the hon. member permit a question? Was the person whom he quoted from that book Walter H. Mulligan?

Mr. Denis: Walter H. Mulligan, chief of police of Vancouver. He was called as a witness before the Senate committee.

Mr. Howard: He ran away to California too a while ago.

Mr. Denis: Yes, but the report does not say so.

(Translation):

Mr. Denis: I would ask the minister to take into serious consideration the suggestions made by some members, instead of always answering the same way, saying that everything will be considered, that an enquiry will be made.

I should like the minister to make other amendments to the Criminal Code, if there is still time, this year, in accordance with the report of the joint committee, whose enquiry lasted three years and a half and which cost thousands of dollars to the Canadian people.

The minister was himself a member of that committee, and it is his recommendations that I would ask him to carry out.

Other recommendations have been made by previous speakers, as well as by newspapers and the general public.

Let him implement these recommendations submitted to him, and let him refrain from serving us a review or an investigation every year.

If the minister wants the reputation of a man who has done something during his short term as Minister of Justice, I suggest that the least he can do is to propose the amendments that the members are asking for.

(Text):

Mr. Fulton: Mr. Chairman, I should like to say that I look forward to the enthusiastic support of the hon. member for St. Denis for the three bills which are going to be introduced in the house in the next week or ten days and on which we were working long before he suggested them, namely, a bill to carry out a narcotics control program, a bill to revise the Criminal Code to deal with dangerous sexual offenders and matters of that sort and also a bill to amend the Food and Drugs Act to deal with barbiturates. We have been acting while he has been talking.

Mr. Denis: I should like to thank the minister for what he has promised, but may I tell him that for two or three years the Liberals have been asking for these improvements.

Mr. Fulton: For 22 years they did not do anything about them.

Mr. McGee: Mr. Chairman, in view of the statements made by the hon. member for St. Denis which you very properly ruled out of order after he had been speaking for some time, I would hope I would have the opportunity to reply because of the fact that my name was mentioned. Apparently the hon. member has been following post office robbers too much to have time to read the newspapers. If he had done so he would have found that editorials in every newspaper in this country, with one or two possible exceptions, have concurred in and supported the proposition put to the house last week by the Minister of Justice. To suggest that there was no demand for any change in the law concerning capital

punishment is patent nonsense. I would refer the hon. member to the 1960 Gallup poll for an expression of public opinion on this matter.

Mr. Denis: In answer to my hon. friend, may I point out that during that inquiry a list of states in the United States which had abolished capital punishment and then restored it because of the increase in violence and murder was submitted.

The Chairman: Order.

Mr. Fulton: Could we carry the first item tonight, Mr. Chairman, so that tomorrow we could get into the details which hon. members are so anxious to consider?

Some hon. Members: No.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Benidickson: Mr. Speaker, with respect to the business for tomorrow, may I say that the house leader has always been generous with the opposition, but is there any possibility that the Prime Minister may intervene again tomorrow and upset the arrangements?

Some hon. Members: Order.

Mr. Benidickson: What will the business be tomorrow?

Mr. Churchill: The Prime Minister has not intervened to change any arrangements whatsoever. The estimates of the Department of Justice will be the business for tomorrow.

At 10.30 p.m. the house adjourned, without question put, pursuant to special order.

ANSWER TO QUESTION

The following answer, deposited with the Clerk of the house, is printed in the official report of debates pursuant to standing order 39:

RUSSWOOD RANCH—ADVANCES ON LIVESTOCK PURCHASES

Question No. 179—**Mr. Winch:**

1. Did the Department of Agriculture ever make an advance to the Russwood ranch in cash for the purchase or supply of livestock to same?

Question

2. If so: (a) what were the conditions of the advances, and has any financial return been made to the government? (b) under what act of parliament were such advances in cash or livestock provided by the government? (c) has any statement of the assets and liabilities of the Russwood ranch ever been presented to a government department? (d) what are the names and addresses of the owners or stock holders of the holding known as the Russwood ranch?

Answer by: **Hon. Alvin Hamilton (Minister of Agriculture):**

1. No.
2. Not applicable.

90205-6—341

HOUSE OF COMMONS

Friday, May 26, 1961

The house met at 11 a.m.

EXTERNAL AFFAIRS

LAOS—INQUIRY AS TO VIOLATIONS OF CEASE FIRE

On the orders of the day:

Hon. Paul Hellyer (Trinity): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. Will the minister give the house an up to date report in respect to the alleged violations of the cease fire in Laos?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, since the commission returned to Laos it has received a number of complaints about breaches of the cease fire. These complaints have been from both sides. They have been considered and discussed with the leaders of the principal parties.

The commission has received assurances that no intentional violation of the cease fire had taken place and that whatever actions had occurred had been taken under provocation and in exercise of the right of self defence.

The hon. member for Trinity will realize that absolute control over widely scattered forces is difficult because of the absence of a detailed cease fire agreement, the nature of the terrain, which of course is exceedingly difficult, and the lack of communication between commands. Nevertheless the commission has decided to send representatives to two areas, one in the north and one in the south, where the most serious incidents are reported to have taken place. The intention of the commission to carry out these investigations was communicated to the leaders of the various parties in Laos on May 22; that is, four days ago. As yet I have no information on the results of the investigations.

I might say in addition that, as the hon. member will recall, at our urging in Geneva the co-chairmen, the United Kingdom and the Soviet union, wired the chairman of the international commission for a submission as to what equipment that commission would need. The reply has now been received and it goes into some detail in connection with the requirements of the commission. If these requirements are met by the co-chairmen the work of the commission will be greatly facilitated.

Mr. Hellyer: A supplementary question, Mr. Speaker. Was the minister including the short range aircraft and helicopters which he requested in order to improve the communications between commands? Can the minister say whether they have been supplied yet?

Mr. Green: During the discussions in Geneva I dealt at considerable length with the need for airplanes and helicopters.

Mr. H. W. Herridge (Kootenay West): I have a supplementary question, Mr. Speaker. Before asking it, I must say that I wish the editor of the *Province* had been here to see the response when the minister rose. Would the minister inform the house whether there is daily communication between our representatives in Laos and the department here?

Mr. Green: Yes, Mr. Speaker, we are getting reports regularly from our commissioner in Laos, Mr. Leon Mayrand.

REQUEST FOR STATEMENT ON DISCUSSIONS WITH PRIME MINISTER OF ISRAEL

On the orders of the day:

Mr. Robert Lafreniere (Quebec-Montmorency): Mr. Speaker, I should like to ask the Prime Minister whether he would care to make a report to the house in respect of the visit of Mr. Ben-Gurion, the prime minister of Israel?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, as the house is aware, the prime minister of Israel ended his visit today. A joint communiqué is being issued which will set out, in that detail characteristic of communiqués, a resumé of the various discussions that took place. I am sure I am reinforced in my belief that meetings between leaders of various countries are most beneficial. I found the visit of Prime Minister Ben-Guirion most helpful, and a further indication of the close relationship between the two countries. I think perhaps it is proper for me to table the communiqué although I have it only in English, the French translation not being available yet. This communiqué sets out the various facts to which I have made reference.

(Translation):

Mr. Lafreniere: A supplementary question, Mr. Speaker.

90205-6—341½

Inquiries of the Ministry

(Text):

Could the Prime Minister tell the house whether there has been any request for military assistance?

Mr. Diefenbaker: Mr. Speaker, there was none. The prime minister of Israel naturally discussed questions relative to the middle east. However, there was no request either directly or indirectly for military equipment or the like.

POWER

COLUMBIA RIVER—INQUIRY AS TO LETTER FROM B.C. PREMIER

On the orders of the day:

Mr. Lucien Cardin (Richelieu-Vercheres): Mr. Speaker, I should like to direct a question to the Prime Minister following the one I asked yesterday. Can the Prime Minister today inform the house whether he had been made aware of the contents of the letter from the premier of British Columbia before Canada signed the treaty with the United States on the Columbia project?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I am very happy to satisfy the curiosity of the hon. gentleman. I would have done so yesterday had I had the opportunity. The answer is no.

[*Later:*]

Mr. W. H. McMillan (Welland): I should like to direct a question to the Minister of Finance and ask him if he has anything further to report on the Columbia river project, after seeing the premier of British Columbia yesterday.

Hon. Donald M. Fleming (Minister of Finance): I had a discussion yesterday afternoon with the premier of British Columbia on the subject. I must correct one possible misapprehension that I detected in the hon. member's question. I gather that he thought Premier Bennett came here. In fact we met at a conference at which both of us had been invited to deliver addresses. We had a few minutes together to continue the discussions which had been held in March in Victoria.

The discussion was carried on in the same frank manner that characterized the meetings in Victoria. I may say that I did submit, as I told the house earlier I would, the suggestion or the request that he might give his content to the tabling in the house of the correspondence which has passed between us. He has given his consent on behalf of the government of British Columbia to the tabling in the house of the correspondence which has passed between us up until the time of my visit to Victoria at the end of March.

Therefore, if I may, I should like to table two copies of the correspondence passing between Premier Bennett and myself, the first letter being dated December 8, 1959 and the last, March 3, 1961.

Mr. Speaker, these letters are in addition to those which have already been laid before the house. Following my statement to the house on my return from Victoria I laid before the house both the letter I had written to the premier previously, setting forth the federal government's financial proposal, along with the letter written to me by Premier Bennett, together with the two alternative financial proposals submitted by the government of that province.

I also drew attention yesterday to two letters which had been exchanged between us earlier this year. I now think this house, with the tabling of these letters this morning, is in possession of all the correspondence which has passed between Premier Bennett and myself in relation to financial proposals, down to the time of our meeting in Victoria at the end of March last.

Mr. Herridge: Mr. Speaker, I should like to ask a supplementary question. Is the minister suggesting that these very important letters be appended to *Hansard* of this day?

Mr. Fleming (Eglinton): Mr. Speaker, if it is the wish of hon. members that this correspondence be printed as an appendix, I have no objection at all.

Mr. Speaker: Does the house concur in the request that these documents be made an appendix to *Hansard*?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: I hear some objections.

Mr. Fleming (Eglinton): Mr. Speaker, perhaps there is one fact I should mention. That is, Premier Bennett has not agreed yet to the tabling of a letter which I wrote him about a fortnight ago.

FISHERIES

NEWFOUNDLAND—STATEMENT AS TO CAUSE OF DEATH OF FISH

On the orders of the day:

Hon. W. J. Browne (Solicitor General): On May 19 the hon. member for Kootenay West directed a question to the Minister of Fisheries as follows:

In view of reports that dead codfish and herring have been noted floating in Newfoundland's Fortune bay and in other waters off the western shore, which is puzzling even the most experienced and oldest fishermen of that island province, would the minister inform the house whether he is having this situation investigated in an attempt to

discover what is causing the death of these fish and, particularly, whether radioactive wastes are a factor.

In the absence of the Minister of Fisheries, I should like to reply. This matter was thoroughly investigated by officials of the Department of Fisheries in Newfoundland, including Dr. Templeman, director of the biological station of the fisheries research board at St. John's. These officials report that the story in the press was exaggerated. The incident occurred during January or February of this year, and I am advised that it could have been caused by codfish pursuing herring bait and suddenly entering extremely cold water near the surface. The abrupt change in water temperature could easily cause mortality among the fish. The officials in Newfoundland also report it is extremely doubtful that the cause was radioactive waste. There is no evidence that large quantities of dead fish were involved.

I hope the hon. member will not think I am being unduly frivolous if I add that the poor fish are unlike human beings inasmuch as they get into trouble when they get into cold water.

HOUSE OF COMMONS

INQUIRY AS TO ACTING LEADER OF THE OPPOSITION

On the orders of the day:

Hon. D. J. Walker (Minister of Public Works): Could it be indicated, out of the 18 members of the official opposition present, who is the leader of the opposition?

Mr. Speaker: Order.

GRAIN

QUEBEC—REPORTED PROTEST AS TO TRANSPORTATION COST

On the orders of the day:

Mr. Gaston Clermont (Labelle): I wish to direct a question to the Prime Minister. Has the Prime Minister received a telegram from the Saguenay catholic union of farmers seeking to remedy the situation whereby farmers in the Saguenay district have to pay $10 to $20 more than western farmers for the transportation of grain in their area? Is any action by the government contemplated in order to correct this situation?

Right Hon. J. G. Diefenbaker (Prime Minister): I have no knowledge of the receipt of that communication. However, I will ask the office and give the hon. gentleman an answer tomorrow.

Inquiries of the Ministry

MANITOBA—REQUEST FOR COMPARISON OF DELIVERY QUOTAS

On the orders of the day:

Mr. Nicholas Mandziuk (Marquette): Mr. Speaker, may I ask the Minister of Agriculture whether he is prepared to answer a question I asked of him on May 13, of which he took notice. The question related to a comparison of delivery quotas in Manitoba with the other two western provinces. I might indicate to the minister that the Manitoba quota is considerably lower, according to the information I have.

Hon. Alvin Hamilton (Minister of Agriculture): I was sorry that I did not have the information with me on the last occasion. Since it is now a week later, perhaps I should bring the information up to date. The hon. member asked for a comparison between May 8 and May 11, but I shall give the figures for May 8, May 11 and May 23. On May 8 Manitoba had 114 stations on a 2 bushel quota; on May 11, 38 and on May 23, 0; on a 3 bushel quota, there were 178 stations on May 8, 239 on May 11 and 193 on May 23; on a 4 bushel quota, there were 53 on May 8, 65 on May 11 and 132 on May 23; on a 5 bushel quota, 19 on May 8, 10 on May 11 and 19 on May 23; on a 6 bushel quota, none on May 8, 12 on May 11 and 20 on May 23.

Perhaps the figures can be best illustrated by a comparison with what happened between those two dates in all the provinces. In all provinces there were 213 stations on a 2 bushel quota on May 8, 58 on May 11 and none on May 23; on a 3 bushel quota there were 742 on May 8, 841 on May 11 and 627 on May 23; on a 4 bushel quota there were 394 on May 8, 419 on May 11 and 575 on May 23; on a 5 bushel quota there were 645 on May 8, 443 on May 11, and 445 on May 23; on a 6 bushel quota there were none on May 8, 233 on May 11 and 347 on May 23; on a 7 bushel quota there were none on May 8, none on May 11 and none on May 23.

TRADE

COAL—INQUIRY AS TO SALE TO CUBA

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, as senior member of the opposition on the front benches this morning—

Some hon. Members: Hear, hear.

Mr. Herridge: —in age, I wish to direct a question to the Minister of Trade and Commerce. In view of an article appearing in the *Globe and Mail* of May 24, 1961, to the effect that Cuba needs a million tons of coal per

year for its new iron and steel mills and smelters, and since it is reported that French, German and other European mines are earnestly soliciting this business, would the minister inform the house what is being done by the Canadian government to promote the sale of Nova Scotia coal to Cuba?

Hon. George H. Hees (Minister of Trade and Commerce): Yes, Mr. Speaker. I thank the hon. member for Kootenay West for giving me notice of his intention to ask this question. As he knows, this item in the *Globe and Mail* is a letter from Mr. E. C. Lantz of Kitchener. In answer, my officials advise me there is grave doubt whether what is stated in this letter is a fact. We have been in touch with the situation since June of last year. There are two steel rolling mills in Cuba which we understand are electrically heated.

According to Cuban statistics the total import requirements of coal and coke for that country for all purposes have been between 200,000 and 250,000 tons per annum. The trade commissioner has been advised to investigate this report.

IMMIGRATION

SAINT JOHN, N.B.—REPORTED PROVISION OF BEDS TO IMMIGRANT STRIKEBREAKERS

On the orders of the day:

Hon. Ellen L. Fairclough (Minister of Citizenship and Immigration): Mr. Speaker, yesterday the hon. member for Skeena asked whether there was any truth in the allegation that immigration officers in Saint John, New Brunswick, were suppling beds and bedding to immigrant strikebreakers at the Saint John Drydock Company, whose employees have been on strike for the past four or five weeks.

The first complaint I received in the matter of this strike was from the industrial union of marine and shipbuilding workers of Canada in Saint John. It was alleged that the Saint John Drydock Company intended to import labour from abroad to replace Canadian workers on strike. For some time prior to the strike this company had been recruiting, with the assistance of my officials abroad, specialized workers in the United Kingdom. They had been unable to recruit these workers anywhere in Canada, even with the assistance of the national employment service. To the best of my knowledge only a few men came to Canada before the strike began. Since the strike immigration officials in the United Kingdom have been holding in abeyance applications received from prospective immigrants coming forward to the Saint John Drydock Company until confirmation is received that the company is no longer strike bound.

The second complaint was from the general strike committee in Saint John. It was alleged that the local immigration office was assisting the company by recruiting strikebreakers from newly arrived immigrants and was supplying them with beds and bedding at a private home in Saint John. An investigation has clearly established that there is no basis whatever for this complaint. The owner of the private home which was mentioned in the complaint is not even known to our officers, and no immigrant has been referred for employment to the Saint John Drydock Company since the strike began. It has been suggested to the general strike committee that these matters could best be clarified and settled by direct liaison between the committee in Saint John and the local immigration office.

COMMUNICATIONS

INQUIRY AS TO CO-OPERATION IN SPACE PROJECT

On the orders of the day:

Mr. Arthur Smith (Calgary South): Mr. Speaker, I wonder whether I might ask the Minister of Transport if he would comment on the circulation of a press story in the United Kingdom that Canada, through his department, is co-operating with the United States, the United Kingdom and France in a space project relating to or involving communication by satellite?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, we have had discussions with both the United States and the United Kingdom authorities regarding research and development work in this field, and we expect to be sending some senior departmental technical engineers to work with a special United Kingdom team in this field on a civil research project which is being developed on an international basis. I am not in a position to say more at this stage, but hope to be able to report in greater detail at a later time.

(Translation):

TRANS-CANADA HIGHWAY

QUEBEC—RESULTS OF STUDY RESPECTING ILE AUX TOURTES BRIDGE

On the orders of the day:

Mr. Maurice Bourget (Levis): Mr. Speaker, I should like to direct a question to the Minister of Transport. Could the minister tell us whether the survey that his engineers

were to make regarding the Ile-aux-Tourtes bridge has been completed? As the minister knows, that bridge is to be part of the trans-Canada highway.

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, yesterday, or this morning, the engineers of my department received from the province of Quebec public works department the plans in question, which are under study at this moment.

(Text):

NATIONAL DEFENCE

PETAWAWA—INQUIRY AS TO RESULTS OF INVESTIGATION

On the orders of the day:

Hon. Paul Hellyer (Trinity): Mr. Speaker, I should like to ask the parliamentary secretary to the Minister of National Defence whether he is in a position today to answer the question of which the associate minister took notice yesterday, having to do with the inquiry into the establishment and operation of the yacht club at Petawawa.

Mr. Egan Chambers (Parliamentary Secretary to the Minister of National Defence): Yes, the report has been received.

Mr. Hellyer: A supplementary question. Can the parliamentary secretary indicate to the house the findings of the report?

Mr. Chambers: Mr. Speaker, I shall be glad to refer the hon. member's question to the minister.

CANADIAN NATIONAL RAILWAYS

MONCTON—STATEMENT ON REPORTED LAY-OFFS

On the orders of the day:

Hon. Leon Balcer (Minister of Transport): With reference to the question asked yesterday by the hon. member for Westmorland concerning the passenger car shop situation at Moncton, the management states that early in March the employees were advised that because of substantial reductions in passenger car mileage during the past five years, together with the acquisition of newer equipment which has lengthened the average shop cycle for passenger cars, the work load for passenger car repairs has been reduced substantially across the system. Accordingly it was indicated that it was the intention to discontinue gradually heavy repairs to passenger equipment at Moncton. Light passenger repairs would continue to be performed.

The current situation is that a number of employees previously engaged in passenger car work have been transferred to freight car work at Moncton. Discussions are continuing with the employees' representatives on their request for the transfer of some 34 Moncton men to other shops, but net reduction of staff because of the cessation of heavy passenger work will be less than 20.

POST OFFICE DEPARTMENT

INQUIRY AS TO COST OF MINISTER'S TRIPS

On the orders of the day:

Mr. Azellus Denis (St. Denis): May I direct a question to the Postmaster General. According to a very important press release from his office the Postmaster General is very young, very active and very fast, travelling 9,000 miles across this country and the United States and even riding in a chuckwagon at Calgary. All this occupied the space of three and half days, during which he beat the clock and broke the sound barrier. Did the minister consider the advisability of carrying the mail with him, so that at least letters from Premier Bennett could reach the Minister of Finance in a shorter period of time?

Hon. W. M. Hamilton (Postmaster General): No, Mr. Speaker, I find that the mail is very effectively carried by the normal service. However, I do want the hon. member to know that at least at the opening of the wonderful new post office in Calgary I had occasion to think of him because of the view I had looking straight ahead while riding in a chuckwagon behind some white horses.

Mr. Denis: May I ask a supplementary question, Mr. Speaker.

Mr. Speaker: Order; before the hon. member asks his supplementary question perhaps I should remind him that the best humourists do not attempt to cap their own stories.

Mr. Denis: This is a more serious question, Mr. Speaker, and should receive a more serious answer. As the taxpayers' money flies with the Postmaster General, will he tell the house, in between trips, the cost of these travels?

Mr. Hamilton (Notre Dame de Grace): The hon. member can put a question on the order paper, Mr. Speaker, if he wants that kind of information. I would point out to him that the purpose of these trips was to attend the postmasters association meetings in Edmonton and in Winnipeg. I am leaving again tonight for Peterborough for another such meeting, and then going on to Chicago to say something about Canadian postal policy and postage stamps. If the hon. member feels that this administration should not meet the postmasters and learn something about their problems, that it should not see that Canadian views are expressed across this country and in the United States, then I may say that I certainly do not agree with him.

Mr. Denis: I was asking about the cost of these travels. There is no reason why the minister could not give the cost of his next trip after he has returned home.

Mr. Speaker: Order. I think perhaps the request relating to the cost was taken as a criticism of the journey and, in that sense, the answer was not out of order. In any event, if the hon. member wishes to know the cost he can put a question on the order paper.

SUPPLY

The house in committee of supply, Mr. Flynn in the chair.

DEPARTMENT OF JUSTICE

165. Departmental administration including annual contribution of $200 to the conference of commissioners on uniformity of legislation in Canada and $167,500 as grants to recognized private after-care agencies as may be approved by treasury board, $1,194,583.

(Translation):

Mr. Roberge: Mr. Chairman, examining the estimates submitted by the Department of Justice and comparing them with the main and supplementary estimates submitted for the previous fiscal year, or comparing them with those for 1959-60, I find certain discrepancies.

That is why I should like to put a few questions to the Minister of Justice.

If one takes the blue book tabled this year, which indicates that this year the same method was followed as in every other year, one sees in the first column the amounts we are asked to vote for the current fiscal year; the second column shows the amounts voted by the house for the previous fiscal, that is the 1960-61 fiscal year.

That second column is made up of the main and supplementary estimates we voted. In addition, we have the supplementary estimates which were introduced only after the blue book was printed and distributed, I think, around February.

This year the same procedure was followed as in previous years, that is in 1960-61 and in 1959-60.

Having indicated, Mr. Chairman, what I believe to be the truth concerning the procedure to be followed and that which was followed, I should like now to make a few remarks based on figures taken from the estimates, and with your permission I shall begin with the fiscal year 1959-60. These figures include items to be discussed as well as statutory votes.

According to page 34 of the blue book for the fiscal year 1959-60, we voted an amount of $27,335,204 in the main estimates.

[Mr. Denis.]

Later during the year we were asked to vote supplementary estimates. At this point I refer the committee to page 4 of the supplementary estimates. We had voted an amount of $1,727,541.

These amounts together give a total of $29,062,745.

We also voted other supplementary estimates included in the new supplementary estimates No. 2. The amount was $52,300, which gives a grand total of $29,115,045 for the year 1959-60.

And now, I want to refer to the blue book for the 1960-61 fiscal year and to the second column which includes main and supplementary estimates for the previous year; I find a total of $29,062,745, which is the amount we voted then in main and supplementary estimates. This means that at the time the blue book for the 1960-61 fiscal year was printed, supplementary estimates No. 2 were not included.

Now, if I take the amounts we voted last year and that we find in the first column of the 1960-61 blue book, I find—at page 34 of that book—that the total amount of the main estimates is $26,382,901. However, last year we voted the further supplementary estimates No. 2 which, according to page 4, amounted to $719,382. We also voted the further supplementary estimates No. 4 which according to page 2 were to the amount of $365,000. Those three amounts make a total of $27,467,283.

According to my findings, this year's book of estimates was distributed to us after we had voted those supplementary estimates No. 4. Well, this addition I just mentioned completes the total amount of $27,467,283.

Perhaps the minister, after I am through with my remarks, would tell me whether I am right and give me, at the same time, an appropriate explanation.

In the second column this year's estimates, the main and statutory estimates that we have voted make up a total of $28,328,287. So there is quite a difference. But I will go further.

A while ago, I said that as far as I know, the book of estimates for the current year was distributed during the month of February. Now, in March, we voted an amount of $82,000 under new supplementary estimates No. 5. Adding to that amount the main estimates, new supplementary estimates No. 2 and new supplementary estimates No. 4, we get a total of $27,549,283.

As I have just said, the total in the second column of the blue book for the current year which, if I am not mistaken, is supposed to indicate the total amount we have voted

for the previous year, is $28,328,287. Now, I notice that all in all we have voted only $27,549,283.

How is it then that the blue book indicates that $28,328,287 has been voted that year, that is $779,004 more than we actually voted? Have there been transfers of funds or changes in the administration? Have additional amounts which concern other departments been transferred under the Department of Justice? I feel those are questions we have a right to ask.

To summarize my point, if we compare the total of the funds voted for 1959-60 with the amount shown in the second column of the blue book for 1960-61, we find that the figures are the same—not including the supplementary estimates—that is $29,062,745. On the other hand, a comparison between the total amount —including the last supplementary estimates for last year—that is $27,549,283, and the amount indicated in the second column of the blue book for 1961-1962, we find a discrepancy of $779,004.

Before continuing with my remarks on item No. 165, which shows an obvious discrepancy, I should like to ask the minister to give us the explanations which are necessary under the circumstances.

(Text):

Mr. Baldwin: Mr. Chairman, I should like to make a very few remarks in connection with the bill of rights, because I have heard it mentioned both in the house and outside. This act, in the very brief time since last summer during which it has been in effect, has been frequently invoked and fulfils a notable function in our system of jurisprudence. I think a grave disservice is being done by those who seek to scoff at its usefulness by attempting to attribute to this law certain characteristics which were not and could not be attached to it, and then saying that the bill has failed in its purpose because in these respects it did not serve to protect certain individuals.

In the first instance, many of the cases where it has been suggested there has been a failure on the part of the bill of rights have been concerned with matters entirely within provincial jurisdiction. Time after time I have heard statements pointing out certain alleged weaknesses in this legislation with reference to injustices which it has created. In many of these cases there is no doubt that provincial laws and regulations were involved. It is my respectful submission that if much of the energy which is misdirected in improperly attacking and criticizing the bill of rights was instead used in trying to persuade provincial legislatures to pass complementary legislation, that is provincial bills of rights, which will have the same effect in the provincial field that this bill of rights has in the federal field, it would be a very fine thing.

In many cases there has been an erroneous conception of the way to make use of the law. Not only is it a shield against oppression; it is also a sword with which to obtain rights. But it is a sword that must be properly used. In many instances the person to use it is the individual whose rights have been curtailed or interfered with.

Thus if a person is removed from his employment because of his employer relying upon a clause or provision in the contract of employment, and the employee thinks the dismissal contravenes the bill of rights, one remedy is an action for damages for wrongful dismissal. This may not give the same measure of publicity for those in public life who seek publicity, and it may not make an interesting news story for those who write about it, but what is most important is that it does ensure some measure of reparation for those who are entitled to it.

I would ask the minister, before the estimates of his department are completed, to give the committee any statistical information he may have as to the number of instances in which the bill of rights has been invoked. I know that in due course there will be a body of jurisprudence built up and established in the law reports of the country. However, I am wondering whether at this time the minister or his officials have been able to secure any information as to the number of instances in which people have invoked the bill of rights in connection with certain matters before the courts.

I have read a great many news stories, as I am sure other hon. members have. If you take those as being that part of the iceberg which is above water, there is no question at all that this legislation, in the very brief time since it was passed, has been of great value and service. As a practising lawyer over many years I know there are instances which I look back upon where the presence of this legislation would have served to secure redress for my clients.

Before I resume my seat, Mr. Chairman, there are two other matters I should like to place before the minister under this item by way of suggestion. First there is the question of the procedure for dealing with appeals from magisterial convictions. I think the hon. member for Welland said the other day that before the magistrates' courts is where you find the greatest percentage of people who make their first contact with the administration of justice, and the right of appeal from

magistrates' courts should be carefully guarded. It has been my experience, and it has been brought to my attention, that sometimes difficulties and impediments do arise under section 722 of the Criminal Code, which is the section dealing with the procedure as to service of notice of appeal, because it is not possible to seek out and serve the respondent or the informant within the time limit provided by that section. Sometimes it is not possible to serve the person who was the informant and would be the respondent. This is particularly true in the more remote areas of the country and, I think, in many rural districts.

I would ask the minister to give some consideration to introducing an amendment to the code by which provision for substituted service could be provided. In addition I would ask the minister to give consideration to extending the time within which the notice should be served and the proper affidavits filed either before or after the expiration of the 30 day limit. In my experience this would be very useful and would give appellants the right to which they are entitled which sometimes, because of the present rigid requirement of the law, is not the case. This is a statutory right of appeal, and all judges insist that there be rigid compliance with all the requirements.

The other question I should like to ask the minister at this time is whether he would give consideration or has given consideration to amending the present law in the Criminal Code where penalties and offences are set out in so far as driving automobiles is concerned. The minister will recall that a number of years ago we had what was known as the offence of dangerous driving. As I now read the code we are limited at the present time to the offence of criminal negligence. It has been my experience, and this experience is reinforced by statements which have been made to me by people who should know, that it is becoming increasingly difficult to secure a conviction on a charge of criminal negligence.

Having in mind the slaughter and the necessity of striving to cut down the accidents and this dreadful toll of human lives which continues to infest our highways, does the minister think it might be worth while to consider restoring an offence of an intermediate nature where convictions might more readily be obtained, rather than having only the offence of criminal negligence, of which juries and judges are loath to convict?

Mr. Herridge: Mr. Chairman, I want to take advantage of this item to bring to the attention of the minister and the committee a certain circumstance that affected a young lady, which clearly demonstrates the ineffectiveness of the present bill of rights to protect the freedoms of Canadians. I support the principle of the bill, but I am rising briefly to bring this to the attention of the minister to indicate that we must go further. We have either to incorporate the bill in the constitution or get agreement with the provinces to enact enabling legislation.

In the Calgary *Albertan* of May 11 this year I read an article entitled "Free speech? Fire girl for talk". The article continues:

> Miss Valerie Smith, the young Calgary draftsman who spoke a kind word for Cuba under Castro at Tuesday's meeting of the Knights of the Round Table, has been fired from her job. Miss Smith, an employee of Midwest Surveys Ltd. for the past 3½ years, was dismissed Wednesday morning by the company's manager, J. J. Simpson, after an account of her speech at the Knights of the Round Table appeared in *The Albertan*.

I have a copy of the speech here which I have read with interest, and hon. members may wish to know that the factual information contained in it is based on a report by Professor Samuel Shapiro, assistant professor of history at Michigan State University (Oakland) and also on various articles which appeared in *The Nation* which as we all know, is a United States magazine.

I think this raises an important question, and the reaction to this young lady's dismissal shows the extent of the public interest in the preservation of fundamental rights and human freedoms for Canadian citizens. No one with an objective turn of mind, reading this speech, could see any reason for this young lady suffering dismissal for expressing her views. Some people might not agree with those views, but they are presented in a fair and clear manner. The public interest to which I have referred was indicated by the Knights of the Round Table themselves, who have written letters to various members of this house. Here is one of these letters, addressed to the hon. member for Assiniboia:

> We, the undersigned, were all present at the meeting of the Calgary Knights of the Round Table on Tuesday, May 9, when Miss Valerie Smith spoke on Cuba.
>
> Speaking only as individuals, and not officially for the Table, we wish to state our opinion that Miss Smith's report on what she saw in Cuba was very similar to those of other unprejudiced observers, dealing, as it did, chiefly with the improved living conditions of the rural population and better educational opportunities generally.

I have had Canadian Press men tell me that within the last two or three weeks.

> The Knights of the Round Table is an organization of business and professional men and has been in existence for some 35 years. It prides

itself on offering a platform for the free expression of opinion on any question however controversial. Consequently we feel very concerned at the unjust treatment of Miss Smith by her employer.

This letter is signed by half a dozen members of the Calgary branch of the Knights of the Round Table. I noticed, in addition, a press item which appeared on May 12 in the *Albertan,* as follows:

The Knights of the Round Table, a group of leading Calgary business and professional men, Thursday night "deplored" the firing of Miss Valerie Smith for expressing pro-Cuban and pro-Castro sentiments.

Miss Smith, who addressed the Round Table on her return from Cuba, was fired from her drafting job with Midwest Surveys Ltd.

In a statement to the *Albertan*, Charles S. Lee, president of the Knights of the Round Table said "We are a forum for free expression where all shades of opinion may be presented."

That is the very basis of democracy:

"The existence of freedom of speech in the community is put to the test when someone expresses an unpopular view.

"Any action to penalize a speaker or deprive him or her of natural and legitimate rights is deplored by this Table, and we are anxious that any action of this kind should not pass without protest".

Then again, I notice that the Alberta federation of labour has shown an interest in this case, as is clear from the following report which also appeared in the *Albertan* on May 16:

The Alberta federation of labour will request the provincial government to immediately enact a fair employment practices act, Frank Bodie, A.F.L. executive secretary, announced Monday.

The move of labour was sparked by the dismissal of Miss Valerie Smith following her recent talk to the Knights of the Round Table in which she praised conditions as she saw them in Castro's Cuba on a two week holiday.

The A.F.L. will also protest the company's action in a letter to the board of industrial relations.

In addition to the numerous articles and letters which have appeared in the Alberta newspapers, we have received a good number of letters ourselves. I have one in my hand, Mr. Chairman, asking that some of us should raise the question in the house since it is felt to be a supreme example of discrimination but which has far wider implications—these are the words of my correspondent—in that it will result in the muzzling of any citizen who does not choose to be subservient to the generally accepted opinions. This letter goes on to ask that the question be brought before the Minister of Justice in order that he may consider whether it would be possible to amend the bill of rights so as to make it more effective, or to incorporate the bill of rights in our constitution.

I fully appreciate the difficulties in this regard because of the nature of our constitution, but I do think a case such as this demonstrates clearly the necessity for the government to continue to press for the incorporation of the bill of rights into the constitution or for the co-operation of the provinces in passing enabling legislation to support it.

The dismissal of this girl was, possibly, an action taken in haste because the manager in question was irritated by the views she had expressed. As I said before, in my opinion the speech was very tolerant and moderate in tone. It expressed the view that Castro is doing a great deal for the Cuban people, and so on, but that is a matter of opinion. Good gracious; if we do not allow an individual to express unpopular opinions, democracy cannot survive. We need to take an example from Great Britain, where you can go any day of the week, particularly to Hyde park, and hear people talking about the desirability of burning down Buckingham Palace; and there is a constable on duty nearby to protect them while they say it.

I shall never forget being in Britain during the Suez crisis. I was in the House of Lords on the second day of the debate. The universities sent delegations to London to protest the action being taken by the government. They came in busloads from Oxford, from Bristol, from Manchester and from other towns all over Britain. They paraded in front of the palace of Westminster. We were provided with a stand in front of the building by an official of the commonwealth parliamentary association and we saw them as they went by holding up banners containing such slogans as "Down with Eden", "Stop the Murders", and all the rest of it. Policemen were walking alongside. Then following were thousands of members of the communist party carrying the union jack and the red flag, marching in columns. Those in the crowd, instead of hurling bottles and invectives behaved in an altogether different manner. I heard one old cockney standing to my right shouting as the red flag went by "Blimey, mate, where did you get that bloody old rag from?"

That is the spirit which preserves democracy; that is the spirit in which fair play is maintained, and in these circumstances people rally to the defence of democracy. People who become irritated and are impelled to all kinds of hasty action when opinions are expressed with which they do not agree, do not understand what democracy really means.

As I say, I undertook to bring this question to the attention of the minister and I should like him, later on, to refer to the incident in question and inform the committee what is being done at the present time to secure a wider acceptance of the bill of rights

and ensure fundamental freedom to all persons. I should like him to tell us, further, what educational work is being done by the federal government to secure a wider understanding of the principles behind this bill.

Mr. Peters: I should like to endorse what has been said by my hon. friend from Kootenay West. I have received a number of letters on the same subject, the firing of Miss Smith, from people in my riding as well as from others outside my riding. I think the public in general is entitled to know just what the bill of rights means to them and to what extent it protects them in relation to this matter of free speech. An article appeared in the Ottawa *Citizen* of May 17 entitled "Bill of Rights Penned on Calfskin". It says:

> Copies will be distributed widely. Already there are 15,000 orders for it. The price is likely to be around $1. But nobody will get the bill of rights alone. All will have this extract from Mr. Diefenbaker's speech:
> "I am a Canadian, a free Canadian, free to speak without fear, free to worship God in my own way, free to stand for what I think right, free to oppose what I believe wrong, free to choose those who shall govern my country. This heritage of freedom, I pledge to uphold for myself and all mankind."

Mr. Chairman, I suggest that we as Canadians should ask whether this is a right which we now possess, or a law that has been passed enabling individuals to go to court to prove their rights by litigation. If the latter is the case, I suggest this right will not apply to the majority of Canadians at any time, and that they are no better off than before. We in this country have always believed that laws of various kinds, in respect of various subjects, protected the people of this country from violations of the four freedoms which have been fundamental to our way of life. I also suggest that Canadians as a whole believe that the bill of rights is a bill which the government intended to see implemented on behalf of the people of this country so that litigation would be unnecessary to establish those rights, that the rights were inherent to all Canadians.

I have in my hand a copy of a letter from a resident of Alberta where the offence took place to which I have referred. This letter is addressed to my leader.

Mr. Drysdale: Who is that, Mr. Douglas?

Mr. Peters: I should like to read a portion of this letter. The letter is dated May 11, 1961 and reads as follows:

> Since you are one of the few M.P.'s who are championing the cause of true Canadianism—

Mr. McCleave: What a laugh that is.

[Mr. Herridge.]

Mr. Peters: Mr. Chairman, this may be a laugh to some hon. members, but I am sure the people of Alberta are well aware that my leader, the hon. member for Assiniboia, is one of the few Canadians who champion the cause of Canadianism.

Mr. McCleave: Mr. Chairman, I apologize to the hon. member for Assiniboia. I thought the hon. member for Timiskaming was referring to himself.

Mr. Horner (Acadia): The same holds true for the hon. member for Assiniboia.

Mr. Peters: Mr. Chairman, the letter reads as follows:

> Since you are one of the few M.P.'s who are championing the cause of true Canadianism and attempting to restrict the foreign control of our natural resources and way of life, I am enclosing the attached clipping from this morning's local paper.
> This is surely in direct contradiction to our bill of rights and everything that we stand for in Canada today and, I thought, the so-called free world.

Mr. Lambert: Mr. Chairman, how is this relevant to the estimates of the Minister of Justice?

Mr. Peters: Mr. Chairman, I suggest we are getting into the problem of deciding whether we are discussing the estimates of the Minister of Justice or the estimates of the Attorney General of Canada, who administers our laws and is responsible for that administration as attorney general. Perhaps the hon. member who made the interjection could inform me that we are discussing only the estimates as applied to the Department of Justice, and thereby solve a problem which has puzzled me for some time. If it is the contention of the hon. member that we are only considering the estimates of the Minister of Justice, I should like the minister to clarify this point. Is the minister the attorney general, as well as the Minister of Justice, serving in the same capacity for Canada in relation to the administration of our laws as the attorney general does in each province?

Having heard nothing from the minister to the contrary, I assume we are discussing his function as attorney general as well as Minister of Justice.

Mr. Fulton: Mr. Chairman, does the hon. member wish to know the functions of the Attorney General of Canada? If so, it may help him to be relevant in his discussion if I read section 5 of the Department of Justice Act, which is as follows:

> 5. The Attorney General of Canada shall
> (a) be entrusted with the powers and charged with the duties that belong to the office of the attorney general of England by law or usage, so far as those powers and duties are applicable to

Canada, and also with the powers and duties that, by the laws of the several provinces, belonged to the office of attorney general of each province up to the time when the British North America Act 1867, came into effect, so far as those laws under the provisions of the said act are to be administered and carried into effect by the government of Canada;

(b) advise the heads of the several departments of the government upon all matters of law connected with such departments;

(c) be charged with the settlement and approval of all instruments issued under the Great Seal of Canada;

(d) have the regulation and conduct of all litigation for or against the crown or any public department, in respect of any subject within the authority or jurisdiction of Canada;

(e) be charged generally with such other duties as are at any time assigned by the governor in council to the Attorney General of Canada.

I should say that I personally fail to see how, under that description of the duties of the Attorney General of Canada, there rests upon him any responsibility with respect to action, such as the hon. member has made reference to, over which jurisdiction is entirely provincial.

Mr. Caron: Mr. Chairman, I should like to point out that if one looks at the estimates it will be seen that the salaries paid to the Minister of Justice and to the Solicitor General are included in the same estimate. I suggest, therefore, the two should be considered as one department. There are no estimates for the Solicitor General of Canada, except in so far as the estimates of the Department of Justice apply to him.

The Chairman: I draw to the attention of the hon. member for Hull that the minister was indicating his responsibilities as Attorney General of Canada, and not those of the Solicitor General of Canada. I think the problem in respect to this point was dealt with in an answer to a question put to the Minister of Justice, on orders of the day, by the hon. member for Skeena. It was indicated at that time that these matters of employment, or the cessation of employment, were matters within the jurisdiction of the provinces, for the reasons advanced at that time. I suggest this involves a question of civil rights, and the administration of justice in this regard is a provincial matter.

Therefore I do not believe that the hon. member is entitled to make reference to a case which is entirely within the jurisdiction of a province. The Minister of Justice is concerned with legislation which is introduced in the house, having regard to the bill of rights, and a discussion in that respect would be relevant. A passing reference to the bill of rights by hon. members could therefore be proper, but a discussion of individual cases over which the minister has no control because they come under the administration of justice within provinces, or perhaps involve civil rights under the jurisdiction of the provinces, would not be relevant. I hope, therefore, hon. members will not discuss the details of problems in respect of provincial jurisdiction.

Mr. Peters: Mr. Chairman, I wish to thank the Minister of Justice for outlining his duties. That probably represents the information which Canadian people have been looking for to understand his duties having regard to the bill of rights.

I should like to ask whether the bill of rights is of any value as it presently stands, or should it now be included as part of our constitution. I suggest that is not what the Prime Minister indicated when he said that the people of Canada should have the right of freedom of speech in this country. The individual to whom I have referred is a girl who took the opportunity, which was also offered to members of parliament, of going to Cuba during the Easter holidays to examine at length the situation there. Upon her return she attended a meeting of the Knights of the Round Table service club and presented her opinion of what she had seen during her visit to that country. She did this in a manner completely divorced from the field in which she was employed, but was fired as a result.

I would think that when the bill of rights mentions freedom of speech, it includes protection against the loss of one's job. While it is true that the actual loss of employment may be a provincial matter and not fall within the jurisdiction of the federal government, yet it is a fact that we have a bill of rights which the Prime Minister and others have stated will give protection for freedom of speech, freedom of association and the other freedoms inherent in our Canadian way of life. That being so, the bill of rights should guarantee these freedoms to all citizens, and certainly one of the easiest ways to prove that it does not exist is when some company, particularly a company under the domination of the United States oil industry, discharges someone for speaking in a manner that is not detrimental to Canada or even to the company for which the individual works but as he saw things, and for expressing his own views publicly.

I had occasion to watch the program "Close-Up" the other night when this matter was discussed. Three well known and well respected business people from the city of Calgary who took part were of the opinion that the things the lady said probably were harsh. She is a woman 26 years of age. Maybe she was harsh in expressing her opinions on an international matter, but there was nothing wrong in what she said. Nothing was

contrary to the good and welfare of Canada itself. I, and I think most citizens of Canada, believe that if the bill of rights is for the protection of our people it should not be necessary for this lady to sue or to do any of the other things that are open to her in the provincial field. She should have the protection of a federal act. I suggest that the responsibility for this situation must rest with the attorney general.

Mr. Horner (Acadia): Will the hon. member permit a question?

Mr. Peters: Yes.

Mr. Horner (Acadia): Does the hon. member believe that the freedoms enumerated in the bill of rights include the right to work? Is this not the line on which he is speaking?

Mr. Peters: I believe the right to employment is the right of every person, and that we should have the opportunity to work. I presume the hon. member is referring to the right to work in another context with which, of course, I disagree. I believe in the right to employment, but that is not the right in question at this time. We are discussing only the rights that appear in the bill of rights.

I believe that changes, amendments or qualifications must be made in the act. Some change must take place in the office of the attorney general so that it will function not only in the prosecuting of people under such legislation as the Combines Investigation Act, through charges laid by the R.C.M.P. and in other fields, but it must work also for the protection of the individual in Canada, to give him the protection that we in the House of Commons thought we gave when we passed the bill of rights. If this is not done, if the bill of rights is not giving these freedoms to everyone as a right, not by litigation or by court procedure, then the bill of rights is a hollow mockery and the country might as well know it. It will be up to the people to make the bill of rights a part of our constitution; then it will be administered as the constitution is administered, and the benefits from it will flow automatically to everyone resident in the country.

There are many other cases that I have been interested in where the attorney general's office, in my opinion, has not functioned as it should. Individuals have made decisions with respect to which the attorney general could act on behalf of the Canadian people, without any need for litigation, if he so desired. I should like to refer to one of those cases. This matter has been brought to my attention and I have communicated with the minister with respect to it. I have made some other inquiries. It has to do with the sale of merchandise to some people in this country. This merchandise may or may not be as represented. Companies are being set up—the hon. member can keep on shaking his head as long as he wishes; I am quite well aware of the fact that he does not understand this problem or hardly any other problem. I am not a lawyer. I did not pass the bill of rights to make lawyers rich. My vote helped to pass the bill of rights to see that Canadians received justice without having to go to court. If the bill of rights means that lawyers are going to make a fortune out of it, then may I say that was not my intention.

I received a letter from an individual in my riding referring to knitting machines that were being sold there. This is a case where misrepresentation took place. Many machines were sold. The company either folded up immediately or the individuals left town. The merchandise sold to the people was unsatisfactory. Immediately after the contract was signed it was assigned to another agency, which may or may not be a part of the original organization. The negotiable instrument was sold after the delivery was made. This is the situation that results. The people who receive the merchandise will return it because it is unsatisfactory, but they will still be required to pay for the merchandise itself. I would place one case on the record.

The Chairman: Before the hon. member continues I should like him to indicate to me how he relates this problem with the estimates of the Department of Justice. I fail to see any relation it may have. It is a problem of the administration of justice, which comes under property and civil rights, which is within the jurisdiction of the provinces. Unless the hon. member is referring to a federal law or a federal act I fail to see how he can be relevant in discussing this matter.

Mr. Howard: Mr. Chairman, before we proceed I wonder whether I might deal with one matter which I think without question is within the jurisdiction of this department. While it is a question of employee-employer relationships, it is one which comes within the jurisdiction of the federal government and has a relationship with the bill of rights. The case has been well publicized in the newspapers because of the unique situation which existed. Questions have been asked in the house about it, and documents relating to this particular incident have been tabled.

I am referring specifically to what I consider to be an abrogation of that which has been classified in the bill of rights as freedom of association, and specifically to a Mr. Terry Whitfield who was summarily dismissed by

Canadian Marconi Company under a clause in their contract of employment, which is completely contrary to that part of the bill of rights relating to freedom of association.

The Marconi company wrote to Mr. Whitfield with respect to this matter on April 12, 1961, under the signature of Mr. S. M. Finlayson, the president. I should like to read the relevant part of this letter if I may, Mr. Chairman, to indicate what I mean. It is addressed to Mr. Whitfield, c/o Canadian Marconi Company, R.C.A.F. Station, Great Whale River, Box 6121, Montreal, and reads:

Dear Mr. Whitfield:

Since receipt last week of your letter dated the 27th ultimo I have had an investigation made of the circumstances relating to your employment to which it alludes and am now in a position to reply.

Under the terms of your employment agreement, set out in the letter of November 2, 1960, addressed to you by Mr. R. MacLeod, manager of our special services division, and signed and accepted by you the following day, it was expressly provided:

Then he quotes the section from that particular contract:

Native and Eskimo villages are considered out of bounds and personnel are prohibited from fraternization or association with the native populations except in special circumstances. Infringement of these orders is cause for discharge.

Mr. Lambert: I rise on a point of order, Mr. Chairman. While this subject may be relevant in another context, I fail to see how a contract of employment can be a subject of discussion under the estimates of the Department of Justice, even though there may be rights under the bill of rights which should be invoked on behalf of the individual. The individual must invoke those rights by an action against his employer. This is a contract of employment. I feel, therefore, that the discussion of this subject is not germane, although it may be in another context. I submit that all this discussion is out of order.

Mr. Howard: If I may comment on the point of order raised by the hon. member for Edmonton West, I should like to indicate what the bill of rights says in this respect. I quote section 1, as follows:

It is hereby recognized and declared that in Canada there have existed and shall continue to exist without discrimination by reason of race, national origin, colour, religion or sex, the following human rights and fundamental freedoms, namely—

Then there is an enumeration of a number of them, and paragraph (e) says:

(e) freedom of assembly and association;

The Minister of Justice was one who participated in the passage of this particular act under which he has certain responsibilities. The act declares that certain conditions have existed, and I merely point out this particular incident as an example of something that is contrary to the provisions in the bill of rights. This incident shows these conditions have not existed and do not exist in respect of Mr. Whitfield and Miss Witalktuk, the young lady to whom he is engaged and whose association with him caused his dismissal.

I submit that it is entirely in order to discuss the subject from the point of view of justice to this individual. If the bill of rights means anything at all, if the minister has any obligation whatever in this regard, certainly it is in order to discuss this obviously callous and arrogant treatment by the Canadian Marconi Company of Mr. Whitfield, which is completely contrary to the provisions of the bill of rights. If we cannot discuss it here, if it is not a question of justice to this individual, where can we discuss it? Perhaps we can discuss it outside the house, as we are able to do on so many occasions when hon. gentlemen opposite object to things being debated here.

The Chairman: The hon. member must realize that he is in the House of Commons of Canada and must discuss matters which are within the province of the federal parliament. I suggest that he is not free to discuss matters which come within provincial jurisdiction. He is free to discuss those matters outside of this house.

In so far as the bill of rights is concerned, this bill does not apply to matters within the jurisdiction of the provinces. As I indicated before, the matter of employment involves a civil right which is clearly within the jurisdiction of the provinces, as is the administration of justice. I feel, therefore, that the hon. member cannot really discuss subjects of that kind on the estimates of the Department of Justice. I would not say there would not be other occasions on which the problem of the bill of rights could be discussed in general, but certainly not in the way the hon. member for Skeena is seeking to do and as the hon. member for Timiskaming sought to do earlier. I rule, therefore, that in the way this discussion has been going up to the moment, it is not relevant.

Mr. Caron: In order to clarify the situation, Mr. Chairman, may I ask if the Minister of Justice is responsible to the house for the bill of rights?

The Chairman: In relation to those matters indicated in the bill of rights. For instance, when legislation is brought before the house it must be examined by the Minister of Justice in order that he may determine that there is nothing within the legislation contrary to the bill of rights.

Mr. Caron: There is another question that I should like to put. If a member wants to

ask the minister whether there is any possibility of amending the bill of rights, in view of the conflict between provincial and federal rights, would that be within the rules of this house?

The Chairman: I fail to see how the hon. member, by directing a question to the Minister of Justice during the discussion of the departmental estimates, could force the minister to impose any obligation on the provinces to implement the bill of rights within those provinces, or to direct that a provincial bill of rights be enacted. This is certainly not the responsibility of the minister. I think this case is clearly in the same position as the one that has been discussed, which clearly was not the concern of the Minister of Justice. It seems to me that this discussion is clearly irrelevant.

Mr. Howard: I think there has been a misunderstanding about what we are getting at in this particular case to which I referred, the relationship between Mr. Whitfield and the Canadian Marconi Company and his discharge because of this fraternization clause. I submit the matter is within the jurisdiction of this federal parliament because Mr. Whitfield was working for the Canadian Marconi Company, which company has a contract with the Department of Northern Affairs and National Resources for certain activities near Great Whale river. It is this relationship that I was getting at. Here is an individual working for a company—

The Chairman: I understand the point that the hon. member is trying to make. It may be a problem for discussion with the Minister of Northern Affairs and National Resources to ascertain what the department can do about a practice like that from an administrative point of view when it gives a contract to a company. However, the employment by Canadian Marconi of any person in the execution of this contract is certainly not a problem that is related in any way to the Minister of Justice or the Attorney General of Canada on these estimates; that is another matter. There may be an administrative problem to discuss with the minister concerned but, as the hon. member has clearly indicated, the employment contract is between a company and an individual and has nothing to do with the Minister of Justice. It is a private matter between the Canadian Marconi Company and the individual in question.

Mr. Howard: What I was leading into was an attempt to show where the bill of rights is deficient in this regard—the Attorney General of Canada has some responsibility in some fields, even though it is not precisely clear just what they all are—in not providing some machinery in the Department of Justice to enable Mr. Whitfield to find some solution to the grievance he has apart from spending all his time and money wandering around the courts attempting to deal with a monopolistic outfit like the Canadian Marconi Company.

This is the matter to which I wanted to direct my remarks, Mr. Chairman. However, if you rule that I cannot do that, I am prevented at this stage anyway from dealing with the specific case of Mr. Whitfield, even though I think other hon. members who have spoken about the case, or have made reference to it slightly, feel that he has a justifiable grievance against the Marconi Company.

Yesterday there was great discussion about the introduction of a bill by way of subterfuge. Perhaps I had better try to find the exact words used. The minister said "because leave to introduce it was obtained by subterfuge". He was dealing then with Bill No. C-76. I think I am quite at liberty to say that we have before the House of Commons, and the Minister of Justice has examined a number of them, bills that have been introduced into the House of Commons by way of subterfuge also, and that he did not decline the opportunity of examining those bills and to pass on them at all. He went wholeheartedly into that effort to meet—

Mr. Speakman: On a point of order, may I ask the hon. member whether he can be more specific?

Mr. Fulton: No; because he would be out of order. The Chairman has already ruled that discussion out of order.

Mr. Howard: We have all sorts of statements from the Minister of Justice on matters for which he has no responsibility. He obviously wants to have the responsibility of being chairman or Speaker.

Mr. Fulton: I just want to get on with my estimates.

Mr. Howard: I am quite sure the minister wants to do that with the least amount of discussion, but that is not the way in which parliament functions.

Mr. Fulton: I ask for discussion of the estimates, not all these irrelevancies. That is my only request.

Mr. Howard: All I can do is follow the lead given by the Minister of Justice when he used to sit on this side of the house. I can see the advantage it brought to him and to his party. I think we are entitled to follow somewhat the same course. However, I should be glad to comply with the request of the hon. member for Wetaskiwin and relate specifically

to him the bills to which I refer. In fact I did that yesterday on two separate occasions and then, as you will recall, Mr. Chairman, we finally appealed a particular ruling to the house and the house decided that I could no longer go into that matter. Therefore I may do it only in an indirect way, although I would enjoy very much accommodating the hon. member for Wetaskiwin.

Last night I inquired of the Minister of Justice about the specific duties that have been assigned to the Solicitor General in so far as his functions within the Department of Justice were concerned and what those were in, for example, the past year. In reply the minister made a general comment about the matter saying in general terms that the Solicitor General was carrying on his affairs, doing extremely valuable work and so on, and he referred me to an answer of the Prime Minister about a year ago which I read into the record or dealt with on a previous occasion.

This statement does not answer the question. The Solicitor General may well be doing valuable work. There is no question about this matter. He may well be a most important and valuable person, as the minister put it, in the cabinet and the government of Canada. But what I should like to know specifically is what the Solicitor General has been doing, if he has some functions or some duties and has been carrying them out within the Department of Justice, surely this committee is entitled to know what those duties are before we proceed to deal with other matters in the Department of Justice.

I know that the Department of Justice is an extensive one. It may well be that there are all sorts of activities in which he engages, such as in the operation of the Parole Act. In passing, and before we get to that item, I should like to pay a tribute to Mr. Street, the chairman of the board, for the fine work being done in this particular field. It may well be that the Solicitor General has had assigned to him some responsibility in the particular field of the operation of the Parole Act. I do not know. It may well be that he has had assigned to him some responsibilities in the field of penitentiaries.

I think the committee should be entitled to have some explanation of this matter before we pass from this item to the other ones. It may well be that he is involved in the field of the Combines Investigation Act or in any of the other items under the Department of Justice. Before we proceed I think the Minister of Justice should explain in the necessary detail the functions of the Solicitor General and what he has been doing within the Department of Justice over the past year.

While the minister is at it and is dealing with that matter, he might deal with another one. I notice that last night the hon. member for Port Arthur raised one particular matter as shown at page 5387 of *Hansard*. Without quoting or reading the words of the hon. member for Port Arthur, I think we can in essence say that he wanted the minister to give some indication to the committee that the lawyers or members of the legal profession who have been retained by the department for certain activities have not been at the same time or previously members or supporters of a certain political party.

I wonder whether the minister would care to deal with those two items before we proceed to pass the first item?

Mr. Fulton: A number of points have been raised this morning. If I may, I will start with the point made by the hon. member for Megantic with regard to an apparent discrepancy between the totals shown in the second column of the blue book for this year as having been the expenditure by the department for 1960-61 and the totals as he arrived at them by adding up what was shown in the main estimates for last year plus various supplementary estimates. As I recall it, he pointed out that the discrepancy between the two totals was something of the order of $800,000 and asked me for an explanation.

The explanation I have is this. In the estimates for last year—that is for 1960-61—provision for salary revision for all the public service was made in one place, namely in the general salaries vote of the Department of Finance. In other words, the increase in expenditure that resulted from the salary increase which was approved last year, and amounted to many millions of dollars, was last year asked for under one item in the estimates of the Department of Finance.

Of course that would not give the true picture of the expenditures by departments, because the increase for convenience let us say it was in the neighbourhood of $40 million, although I am not saying that it was that amount—would obviously be divided, with so many million dollars to this department and so many million dollars to each of the other departments. When the book of main estimates was made up for this year, in order to reflect what was felt to be a truer picture, the amount of the salary increase attributable to each department was added to the amount shown in the second column in the book so that the amount in the second column in the book this year—that is the amount that is reported to have been spent last year—includes the portion of

the salary increase attributable to the respective departments. But in last year's main and supplementary estimate none of it was shown as attributable to a specific department; it was all lumped in the Department of Finance estimates in a single item. I am told that the difference this year accounts for an amount of $861,004, and I think that is the difference to which the hon. gentleman was directing our attention.

The hon. member for Peace River raised two matters in connection with possible amendments to the Criminal Code. He drew attention to what he considers to be a situation which makes it desirable to amend section 722 of the code. I have to say that it is not our intention to make an amendment to this section this year. The Criminal Code amendment bill is practically ready, and it does not include an amendment which would cover that suggestion. However, we will certainly give it careful consideration for another year.

With respect to the second suggestion the hon. member made, I am glad to be able to say that in our study of this matter we have come to the conclusion that his suggestion is a proper one; that is, that there should be an amendment to the code in connection with offences committed while driving an automobile. I am confident that when my hon. friend sees the Criminal Code amendment bill he will approve of the amendment which we have included in that respect.

There was a considerable amount of discussion on the bill of rights and its application to one or two specific cases which were mentioned. You have ruled, Mr. Chairman, that in as much as it is not the responsibility of the Minister of Justice or Attorney General of Canada to enforce the bill of rights on behalf of individuals, particularly where the right concerned is within provincial jurisdiction, this is not a matter which should be discussed on the estimates of this department.

With that ruling I of course agree, but perhaps, I might, without violating your ruling, Mr. Chairman, refer to one part of the remarks of the hon. member for Kootenay West, who asked me what is being done to persuade the provinces to take similar action in their fields. This in my view would be the answer which hon. members who have raised these cases are seeking. If the provinces would enact similar bills of rights in their fields of jurisdiction—that is, similar to the bill of rights in the federal field—the whole field of rights and freedoms in Canada would be covered. It seems to me this is a desirable thing and I hope that the case in Calgary may serve as a further incentive, a further spur to citizens in the provinces to urge upon their governments, and finally urge successfully, that they too should adopt bills of rights which would be effective within the field of provincial jurisdiction.

For the rest, Mr. Chairman, the fact of the matter is that it was carefully explained at the time the bill of rights was before the house that the courts are an integral and essential part of the protection of our rights. All the legislature can do is define the rights and put them in statute form, which is a very effective form, to show that these rights exist and are the legislative entitlement of the Canadian people.

However, it was carefully explained by me in the course of the debate on the bill of rights that the courts were an essential part of the protection of our rights, and that if it was felt these rights may have been violated and should be asserted, protection or restitution should be sought from the courts.

Therefore hon. members should not feel they have been taken by surprise when they find this to be the situation. Of course it would be quite intolerable to take seriously the suggestion hon. members made—I am not relating this to any specific case—that the Minister of Justice or Attorney General of Canada should himself be responsible for deciding when a Canadian citizen's rights had been violated and what should be done to protect them.

I can understand their views when, as they view it, a large and powerful company is at fault here. However, let me ask these hon. members to consider the implications of what they are suggesting. I am quite sure they would resent it very deeply indeed if I made a finding that one of them, for instance, had violated the rights of somebody else and if I brought a prosecution myself and attempted to determine in what respect restitution should be made.

This, of course, is a matter for the courts. It would be an intolerable situation if the Minister of Justice or Attorney General were to accept this invitation and set himself up as an arbiter in cases where he felt a right had been violated. That would be a dictatorship; that is exactly what the bill of rights was designed to protect against, and it is something which this government would never allow, once it brought—

Mr. Howard: Mr. Chairman, I rise on a point of order. My point of order is that the minister is deliberately misconstruing the remarks made from this side of the chamber in order to paint an incorrect picture. While the minister may be trained in the use of words, he is using his position as minister to do this. It is most unkind and most unfair.

Mr. Browne (Vancouver-Kingsway): C.C.F. nonsense.

Mr. Fulton: Mr. Chairman, my hon. friend does not like to have the logical conclusion of his suggestion drawn to his attention. But that is what I am doing; I am drawing to his attention the logical conclusion of the suggestion he has made and the position that he and the hon. member for Timiskaming have taken in this respect.

The hon. member for Skeena also asked about the responsibilities of the Solicitor General. Perhaps, Mr. Chairman, I might just finish this subject before one o'clock. I direct the hon. member's attention again to the answer given by the Prime Minister, which was referred to in debate by the hon. member and by the hon. member for Saint John-Albert on May 19, just a week ago.

That, I think, is a complete answer; but to give some more particulars I can of course say that the Solicitor General is individually responsible for the review of all cases where the question of commutation of the death sentence arises. He is in charge of the review of cases generally where the exercise of the royal prerogative of mercy is concerned, including the remission of fines and forfeitures, temporary releases from prison for compassionate reasons, applications for ordinary pardons and a number of other matters of that type, the submissions on which are numerous and involve a great deal of careful and very detailed consideration, research and comparison.

In addition to these particular duties, as the Prime Minister pointed out in his answer last week, the Solicitor General undertakes such assignments as may be referred to him as a member of cabinet, and of course he does act as Minister of Justice whenever the Minister of Justice happens to be away. I am not away too frequently, but there are occasions where official business takes me away. For instance, I was with the Prime Minister in London for ten days this year. During the period of negotiation of the Columbia river treaty I was frequently absent because of attendance in Victoria and Washington. On these and similar occasions the Solicitor General acts as Minister of Justice.

Therefore I think my hon. friend can set his mind at rest on the point of whether or not the Solicitor General, by his industry and by the importance of the tasks which he performs, merits the salary which is provided for him.

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

The Acting Chairman (Mr. Chown): Shall vote No. 165 carry?

Mr. Howard: No. At one o'clock the minister was in the process of dealing with some of the questions which have been raised, specifically with one mentioned yesterday by the hon. member for Port Arthur about the hiring of legal talent outside the department, and I think the minister had not concluded.

Mr. Bourque: On May 20, 1958, I brought up in this house the question of goof balls. At that time I was laughed at and sneered at by everyone—I see one hon. member sneering now—but I can tell you, Mr. Chairman, that the goof ball problem when I made reference to it then was a serious problem and that today it is a calamity in Canada.

Yesterday my colleague from St. Denis asked the Minister of Justice a question about what the government is doing in connection with this goof ball problem—he called it the barbiturate problem—and the minister replied, saying that while the hon. member was talking the government was acting. As I have just mentioned, I raised this subject in the house on May 20, 1958, and here is the minister saying in 1961, three years later, that the government was acting, that they were not talking. Well, if this is an example of the speed at which this government acts, then God help us poor Canadians. As I said, I brought the matter up in May, 1958, and today the minister tells us three years later, that they are acting. What were they doing in the meantime? They have spent three years doing nothing. For three years they stood idly by watching a problem, which could easily have been settled then, grow to a point where it must be considered as a national problem almost impossible of solution.

When I spoke on goof balls in May, 1958, the then chief of the inspection services of the Department of National Health and Welfare gave an interview to a newspaper saying there was no goof ball problem. He said he did not take seriously the term "goof ball". "I heard that one 30 years ago", he said. I said then that this official of the Department of National Health and Welfare must either have been asleep at the switch or trying to avoid his responsibility. I have here hundreds of clippings and editorials from Canadian newspapers dealing with the seriousness of the goof ball problem and urging that prompt measures be taken to combat it. Yet this official, this man who should have been on the alert, instead of investigating whether

what I had said in the house was true, promptly denied my statement, claiming that there was no such thing as a goof ball problem.

Mr. Fulton: On a point of order, Mr. Chairman, I wonder whether you and whether the hon. member who is speaking would not consider it more appropriate to raise this matter when the bill dealing with this subject, which will stand in the name of my colleague the Minister of National Health and Welfare is introduced. I am, of course, prepared to accept my responsibility, but it seems to me the hon. member's remarks have made it abundantly clear that he is criticizing another department and, at the moment criticizing an official of another department for whom I am not responsible. I am sure an answer can be made, but I have not got the facts at my disposal to give it. I have no doubt that this discussion would be more appropriate when the legislation is brought down and when the minister who can accept responsibility for it is here, together with his officials.

Mr. Roberge: On the point of order, if I am not mistaken, my colleague from Outremont-St. Jean intends to relate his remarks to a situation prevailing in certain parts of the country where persons using goof balls are becoming involved under the Criminal Code and especially with the traffic in goof balls inside penitentiaries. I think, with respect, that it would therefore be in order for him to continue to discuss this matter.

Mr. Caron: Further to the point of order, in answering the hon. member for St. Denis, the minister said that next week or within ten days at the latest, the government was going to bring in legislation. I have only the details in French of what he said:

(Translation):

—a bill to carry out a narcotics control program, a bill to revise the Criminal Code to deal with dangerous sexual offenders—

(Text):

So, if the minister can announce in the house that a bill is to be brought in to amend the narcotics act, that is in accord with what my hon. friend is saying, namely that goof balls are becoming as dangerous as any other narcotics. The minister has stated that he intends to bring a bill before this house. I suggest this is a serious matter, and that the hon. member is simply trying to suggest to the minister that the bill should be made completely perfect in order to deal with this problem. Therefore, I think the minister should answer that suggestion.

Mr. Fulton: Mr. Chairman, I did not say that I would introduce the bill. My colleague, the Minister of National Health and Welfare, has several times informed this house that he would introduce legislation in respect of both the Opium and Narcotic Drug Act, and the Food and Drugs Act, which are the responsibilities of that minister. He will be introducing measures to deal with both problems, and at that time will outline the legislation in full and answer criticisms. I am not in a position to do so, because these acts are not within the administrative responsibility of my department.

Mr. Caron: Mr. Chairman, the minister said yesterday that he was going to introduce the bill.

Mr. Fulton: Mr. Chairman, I simply stated that legislation would be introduced to deal with the problem which has been referred to, namely, the problem of goof balls.

Mr. Caron: The house was informed that—

The Acting Chairman (Mr. Chown): Order. I am inclined to agree to some extent with both statements regarding the point of order raised by the minister. Very wide scope is generally allowed during the debate on the first item of the estimates of a department, and to the extent the hon. member is able to relate his remarks to the administration of justice and the Criminal Code itself, in view of the legislation referred to by the minister which is not yet before this house, I feel he should be allowed to carry on with the discussion of this general topic. However, to the extent that he was moving toward a discussion of another department of government, for which the minister, whose estimates are before this committee, is not responsible, I cannot find that the hon. member was in order. I should ask him to relate his remarks to the general topic of administration of justice and the Criminal Code itself.

Mr. Bourque: Mr. Chairman, I am concerned with the goof ball problem because it has been suggested by police officers, who have dealt with the problem on different occasions, that it is a more serious problem than the narcotic problem. These officers suggested they would sooner deal with a narcotic addict than a goof ball addict. I suggest that, with the passage of the proposed legislation in this respect, the vending of goof balls will be a criminal affair, with which the R.C.M.P. will have to deal. This will then be within the jurisdiction of the Minister of Justice, and I feel I am entitled, therefore, to refer to it.

Mr. Chairman, at the time I was interrupted, I was suggesting that this serious problem had been brought to the attention of the government.

(Translation):

Mr. Paul: Mr. Chairman, I rise on a point of order.

We are now considering the estimates of the Department of Justice and of the judiciary administrative power. Now, the hon. member for Outremont-St. Jean (Mr. Bourque) takes it for granted that the very serious problem of goof balls is the responsibility of the Department of Justice. However, in order that there be a relationship between the estimates we have before us and the statement of the hon. member, the problem of goof balls would have to be made an illegal act under the Criminal Code. Unfortunately, no bill has yet been put forward to this end, and the Minister of National Health and Welfare (Mr. Monteith) will soon be submitting a measure to the house in that regard. Therefore, I respectfully submit that it is out of order for the hon. member for Outremont-St. Jean to go on discussing goof balls or barbiturates.

Mr. Caron: Mr. Chairman, on the point of order, I think that is precisely the point made by the hon. member for Outremont-St. Jean (Mr. Bourque). He hopes that the problem will be settled soon. If the matter of barbiturates or goof balls were covered by the criminal code, and if the enforcement of that legislation, as any federal legislation, were made a responsibility of the R.C.M.P., it could be dealt with rapidly.

As far as I know, there is nothing in the law or in the standing orders which forbids an hon. member from asking the minister to deal with the problem. That is what the hon. member for Outremont-St. Jean has been doing, and I feel it would be placing too great a restriction on our discussions if the hon. member were forbidden to ask the minister to place this problem of goof balls or barbiturates on the same footing as narcotics.

(Text):

The Acting Chairman (Mr. Chown): I have made my comments in connection with the point of order. I will listen very carefully as the hon. member proceeds and, if I feel he is straying too far from the consideration of the estimates of this department, I will then intercede.

Mr. Bourque: Mr. Chairman, at the point I was interrupted I was in the process of suggesting that the government could very easily have put an end to this illegal traffic some three years ago when the situation was brought to the attention of the Minister of Justice.

The use of goof balls has become a plague which is undermining the youth of our country. This fact was brought to the attention of the Department of Justice some three years ago, and I suggest that department should have taken it into consideration, enacted legislation making it illegal for pushers to sell these goof balls to the youth in our schools and elsewhere. However, at that time the government did nothing in this regard. Now, three years later, the Minister of Justice announces that it is intended that measures be found to combat this serious menace.

I suggest the use of goof balls is the first step toward drug addiction. Boys and girls from 12 to 18 years of age—perfect boys and girls—can become criminals over night through the use of goof balls which they are able to purchase at confectionery stores and ice cream parlours. If a boy or girl consumes a bottle of gingerale, or other similar drink, in which has been placed a goof ball, he or she is quite capable of committing murder or carrying out any other similar terrible crime. Three years ago there were three or four hundred girls and boys who were using goof balls. The government has done nothing to correct this situation, and today I suggest there are thousands of young boys and girls across this country who have fallen far down the social ladder through the use of goof balls. Nothing has been done to prevent men and women from despoiling our youth by selling them goof balls.

Authorities in Montreal have become alarmed by the growth of this goof ball traffic. They have called together scientists, statistical men, doctors, and other learned individuals in an attempt to find out what can be done to eradicate this evil. I understand that representations have been made to the Minister of National Health and Welfare in respect to a meeting to be held in Ottawa to discuss this situation. As long ago as May 20, 1958 I suggested in this house that the confectionery and ice cream parlours where these goof balls were being sold, should be kept under surveillance in an attempt to find out who the pushers were, with the intention of adopting measures to stop these harmful transactions. As I said a moment or two ago, nothing has been done.

I should like to direct hon. members' attention to an article which appeared in *Time* magazine of March 31, 1958, which I quoted in my remarks in this house on June 27, 1958, as reported at page 1700 of *Hansard* for that day. This article indicated that a young man, 14 years of age, died in Halifax from an overdose of goof balls which he had taken from the drug store where he was employed as a messenger. When this young man got home that evening his folks found that he acted strangely, as if he were drunk and foolish. Next day he went out for a walk and disappeared. Three weeks later his

body was found in a wooded area near his home. The verdict of the coroner's jury was barbiturate poisoning.

I should also like to bring to your attention, Mr. Chairman, a small portion of an article entitled "Goof Balls Smuggled Into Prison", which appeared in the Montreal *Star* on Tuesday, March 25, 1958. In this article it was stated that an investigation had revealed that four dozen goof balls, barbiturate pills, had been smuggled into the prison on Sunday by a visitor. One hour after this visitor had left the prisoners had smashed all the windows, lights and water fixtures in the jail wing of the Joliette court house. If a few goof balls smuggled into a prison or a penitientiary will bring about the devastation that those brought about, namely the smashing of the wing of the jail, then just imagine what a gang of young hoodlums provided with goof balls will do.

I should like to proceed to another matter which I mentioned on August 22, 1958, in my remarks which may be found in *Hansard* for that day. I want the committee to bear in mind that the year was 1958. I shall have to proceed in French because this article is in French. I hold in my hand a few pages from the magazine *Prevention,* dated July, 1958. The magazine is published by the police and the fire chiefs of the province of Quebec. It is their official organ.

(Translation):

Mr. Chairman, there is on that page an article which deals specifically with goof balls. It reads as follows:

Teen agers threatened by the evil of substitutes for drugs.

The article goes on to say:

R.C.M.P. authorities have received over 20 complaints about young people who had been using sedatives or barbiturates, commonly known as goof balls.

And further on:

Complaints of that nature have come from several towns in the province, as well as from many quarters in the Montreal area.

It has been clearly established that young people are getting the habit of using goof balls in their customary meeting places, such as certain colleges and high schools, as well as in dance or community halls.

The article states that goof balls have become a social evil.

"According to an official spokesman of the social welfare court, this evil, which is taking on increasingly alarming proportions, seems to have started among our young people three years ago."

You will note, Mr. Chairman, that already in 1958 it was being said that the evil had existed for three years; and only now are steps being proposed to deal with a problem which has been with us for six years.

[Mr. Bourque.]

Mr. Martineau: Would the hon. member allow me a question? For the guidance of this committee, would he tell us when these barbiturates which he calls goof balls were first discovered?

Mr. Bourque: Well, personally, I cannot tell. I am not a druggist and I certainly was not the one who compounded the prescription for goof balls. On the other hand, it was I who called the attention of the house to this evil on May 20, 1958.

Therefore it is not up to me to find out whether the problem has been there for ten or 12 years.

Now, the statement is not mine; it is from an article published in an official publication of the chiefs of police and fire chiefs of the province of Quebec.

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

Mr. Bourque: Certainly.

Mr. Martineau: Seeing that the hon. member has raised this matter several times, it may be reasonably inferred that he is an expert as far as it goes. I should therefore ask him if he has made a special study of it and if he could tell us when the ills he has mentioned have been found to exist in the province of Quebec?

Mr. Bourque: The matter is before the public, and it has been investigated several times by the Montreal police, I have here hundreds of clippings dated from 1958 to 1960 and 1961.

The hon. member must be blind not to have read on the matter in the newspapers, because scores of articles were published about it in almost all the Canadian papers. Some appeared in *Weekend* and some in *La Patrie du dimanche.* Some can be found in every newspaper, Mr. Chairman, and not only short reports but feature articles covering full pages.

Consequently there is no need to go into the background of the matter. That the evil exists is common knowledge. It is an affliction, a cancer feeding on society and the government has not done a thing to stop it.

Mr. Martineau: I have heard the hon. member say so several times. I take the liberty of asking him questions again. Did he ever say in this house that the problem did not exist before 1958? That is what I would like to know.

Mr. Bourque: All I can say to the hon. member is that the problem came to my knowledge in 1958 and I immediately brought it to the attention of this house.

That is why I say that the government did not do a thing to remove this calamity.

I am still quoting, Mr. Chairman. *Prevention* is the official publication of the Quebec chiefs of police and firemen's association who, no doubt, must know their business. Therefore this publication must know what it is all about, for all those people are interested in eliminating this problem.

Besides, it is in the light of that social evil, which is a fearful threat to the physical and the moral health of our young people that the federal minister of health took proceedings against some 25 Montreal druggists who had sold "sedatives" or tranquilizers to teen agers without a prescription

Therefore, at that date, the federal minister was aware of existing difficulties. There were difficulties in July 1958, since there were 25 prosecutions against Montreal druggists. I quote again:

Similar proceedings were taken against druggists in Quebec, Shawinigan, Grand'Mère, Three Rivers, Valleyfield and a few other towns in the province. All were found guilty and fined.

Therefore the government cannot say that the problem was inexistent. It was very real. They even took proceedings. Further on, the text says this about St. Vincent de Paul:

Just a few days ago, two wardens of the St. Vincent de Paul penitentiary were dismissed for introducing goof balls into that institution for distribution among the prisoners.

Now, Mr. Chairman, I don't know what conditions were before. It was only then that I learned about this business of goof balls.

Authorities tell us that in the last two years, the number of juveniles using such tranquilizers has risen from 40 per cent to 250 per cent in certain areas.

This percentage may now have gone up to 2,500 or 15,000 per cent, I would not know.

Every day we read press reports of criminal action by juveniles under the influence of goof balls.

Inspector Ovila Pelletier—

He is now deceased.

—chief of the youth assistance squad of the Montreal police, tells us that the problem is the most serious one he has to face at this time.

Later on we learnt, which is another proof that the federal Department of Justice knew about the matter, that, after action had been taken against a number of druggists:

The federal department of health and welfare has been congratulated on its gesture by various social agencies, by the authorities of the welfare court, various youth agencies and other organizations, because they considered the problem such a serious one.

Mr. Paul: On a point of order.

The last remarks of the hon. member for Outremont-St. Jean consisted of information received following certain court proceedings by the Department of National Health and Welfare.

Now, for the last five or ten minutes, the hon. member has been speaking on a matter which is not under the jurisdiction of the department of the Minister of Justice, whose estimates we are now discussing.

For that reason, Mr. Chairman, I would ask the hon. member for Outremont-St. Jean not to stray from the matter being discussed.

Mr. Caron: Mr. Chairman, with regard to the question—

(Text):

May I be permitted to say a word about the question?

The Acting Chairman (Mr. Chown): I have heard the point of order raised, and I confess to being very lenient, but this is a general principle we follow in connection with item 1 of departmental estimates. The fact of the matter is, however, that the prosecutions and so on to which reference has been made have been conducted under acts which are the administrative responsibility of the Department of National Health and Welfare. In any case, I must advise the hon. member that his time has expired, so this provides a good opportunity to intercede.

Mr. Deschatelets: No doubt leave could be obtained for the hon. member to continue. A certain amount of latitude has been granted to other members, and I presume the minister would not disagree with my suggestion.

The Acting Chairman (Mr. Chown): This is not the usual practice followed. The first speaker on departmental estimates is normally allowed an extension of time, and I do not think it would be right or proper to break the precedent. The hon. member will have another opportunity to participate in the debate if he wishes.

Mr. Howard: May I speak to the point of order? Surely, it is not the responsibility of the chairman to interpret the feelings of the committee in so far as the granting of additional time is concerned. This is something that requires unanimous consent. If unanimous consent is not given, then no extension of time is allowed. I do not believe it is the responsibility of the Chair to interpret what might be the attitude of the committee.

The Acting Chairman (Mr. Chown): I was only pointing out what the practice of the committee normally is. I was not making any ruling. If the question is put to me, I will put it to the committee. Has the hon. member unanimous consent of the committee to continue?

Some hon. Members: No.

Mr. Roberge: I want to say just a few words on this question of goof balls. I should like to refer the Chair to an article that appeared in the Ottawa *Citizen* of March 8, 1961, under the heading, "Brief to Fulton; Police Want Laws Changed". This article refers to seven recommendations with which I shall not deal in detail. However, recommendation No. 4 reads:

> Inclusion under the vagrancy section of unemployed drug addicts who do not have a doctor's certificate declaring them unable to work.

At this time. I wish to ask the minister to study the matter to ascertain if it is feasible to include in the amendments which will be introduced to the Criminal Code a section in the vagrancy provision that will take care of drug addicts and so on.

Mr. Fisher: Last night, Mr. Chairman, I had the opportunity of reading some words of one of the admirers of the minister. I am going to take advantage of the opportunity today to read another account in praise of the minister in order to give me another point from which to ask him a question or two. This is from a great admirer of the minister, Pat Nicholson, who puts out an Ottawa report for the Thomson papers. The heading in the Port Arthur newspaper of May 23 is, "Give High Rating For Davie Fulton".

Some hon. Members: Oh, oh.

Mr. Fisher: I am only going to read a couple of paragraphs which I know will delight the minister and his backers. I am glad to see them here today. The article reads in part:

> Thousands of words have flowed over his lips since that cold December day, only 4½ years ago, when British Columbia's own Davie Fulton challenged John Diefenbaker for the leadership of the Conservative party.
>
> But those words, unlike water flowing downstream to the sea, have not been lost. Dammed behind some personal wall of determination, they have gently but surely accumulated into a powerhouse of countrywide good will and respect for their speaker.

I know his colleagues in the committee will forgive me for leaving out a few paragraphs that are along the same general lines, but then we get down to this:

> Davie Fulton without question possesses the finest intellect in the cabinet today. For pure mental training and intellectual stature, he has no equal.

Then, I go on to this particular paragraph:

> He is, ex officio, the minister in charge of the R.C.M.P. In this role, he has had pleasant and unpleasant duties to perform, gaining the most headlines, perhaps, by his action in refusing to send R.C.M.P. reinforcements to Newfoundland when requested to do so by Liberal Premier Joey Smallwood who sought their aid in the labour dispute in that province.

[The Acting Chairman.]

Just as an aside, I should like to congratulate the minister on the strong fight he must have put up in the cabinet in order to obtain support for not sending police into Newfoundland.

Going on in the article, we come to this phrase. Mr. Nicholson suggests the minister could have been a hero if he had gone to British Columbia and taken over the leadership of the Conservative party there but, as the author says:

> —he chose to remain in Ottawa, from which strategic centre he breaks out to deliver good fighting speeches to public audiences, campaigning for his government and for his own future, showing that he can call on wit, derision, learning, common sense, farsightedness and rhetoric to uplift and persuade his audience.

Now, Mr. Chairman, this article sets out, perhaps properly and perhaps accurately, an estimate of the minister's worth. I certainly am not going to gainsay or deny this. But in view of this breadth and ability that the minister seems to have, I want to turn to one small point and ask him whether he has considered looking at the operations of other departmental offices or ministerial offices as a basis of comparison in order to see whether perhaps it has developed that, because of his general brilliance in an over-all way, he has not looked at the little details of his own department in order to see how things go through his office.

I do not have much contact with the minister but I am always astounded at how long it takes to get a reply from his office. If you get one in three weeks, I think you are doing very well. Not long ago I pointed out to the minister that a man in Sault Ste. Marie had written to him complaining that the R.C.M.P. had broken into his home and had messed things up. The minister has satisfied him and I suppose other people that the R.C.M.P. were not the ones involved. But the point is that six weeks after the man had written to the minister he had received no reply from the minister's office. I do not care whether he is the worst and lowest thug in Canada, any person who writes to the minister surely deserves a more prompt reply than that. I am not going to speak for other members but from conversations I have had with others I know that they report that same pattern in so far as this department is concerned. It takes much more than the ordinary length of time to get any kind of response to a request either by phone or by letter.

I am just wondering whether the minister would not check into this phase of his operations. It would be dreadful if we had his

continued build up on lines that Mr. Nicholson has set forth and yet right within his own office there were a situation in which the satisfaction that perhaps might be deserved, was not being given by him or his personnel. I might appear to be flippant in bringing this matter before the committee. However, I would suggest to the minister that it would be a worth while thing upon which to check. If you write to the Minister of Trade and Commerce, the Minister of Transport, the Minister of National Revenue or the Postmaster General you get a reply in from three to five days or someone contacts you in the office. But in this department with this brilliant head you wait and wait. This is just a minor detail of administration but I thought it would be worth while to bring it to the minister's attention. I know that he would like to live up to—and perhaps he does so—all these elaborate assessments that have been given by such astute observers as Mr. Nicholson.

The hon. member for Skeena somewhat misinterpreted the question that I had asked the minister yesterday and to which I did not receive a reply. The hon. member for Skeena wanted to know whether with regard to these legal jobs or legal fees the minister would make a statement to the effect that they had not been given to Conservative party members. What I really was seeking was an assurance that they had been given to supporters or members of the Conservative party. But much more important than that, I wonder whether the minister would give us some information on the matter I raised in relation to amending procedure in connection with the British North America Act.

He will recall that at the dominion-provincial conference in July last year, at one of the afternoon sessions the Prime Minister made this matter one of the central points and stressed very strongly that the procedure to amend the constitution was one of the most vital things ahead of the nation as a whole. Subsequently, there were a number of meetings which received a considerable amount of publicity and last night I suggested that some of these left a very vague impression as to what was happening and what were the difficulties. Before the minister leaves this part of his estimates I should like him to bring us up to date on that matter.

The last point that comes to my mind results from the minister's explanation of the difficulty with the bill of rights. He pointed out that if he was expected as attorney general or Minister of Justice to take up every case in which someone felt that someone was infringing or impinging upon his rights, he would be involved in extremely great difficulty. I wonder whether the minister or the government has given any consideration to a practice that has been developed in other parts of the western world and has received a certain amount of critical acclaim from journalists, academic people and even editorial writers. I refer to the idea of an office similar to that of ombudsman that has been worked out in several of the Scandinavian countries where there is an office created by the government but separate from it to which anyone can take any appeal for any injustice that he feels he has suffered through legislation or impingement of government activities.

I realize that a federal government can properly deal only with things that fall within the federal framework. But when we have so much delegated authority as we have today, it seems to me that this procedure becomes more and more a worth while possibility. I wonder whether the minister has given any consideration to the matter, whether this has been a subject of discussion with the executive of this government, whether he has had any memoranda prepared on it or whether anyone in the government has studied how it works in other parts of the world.

The last point upon which I wish to touch under this item is the question of where the minister stands in connection with appointing justices in relation to the article or editorial in the Montreal *Gazette* from which I quoted last night which indicated that this government had a marvellous chance to follow the line indicated by the Prime Minister when he was in office, namely to make the prime factor in appointing a justice his merit or ability rather than his political colour. I wanted to ask the minister where this particular government stands in this regard.

Mr. Carter: I wish to rise on a point of order, Mr. Chairman. I merely want to correct a statement which the hon. member for Port Arthur put on the record, I am sure inadvertently. Obviously referring to an incident that took place a couple of years ago, the hon. member for Port Arthur referred to a request that had come from Premier Smallwood for R.C.M.P. reinforcements. The fact is that the request did not come from Premier Smallwood. It came from the commanding officer of the R.C.M.P. and was transmitted to the minister through the attorney general's office, in accordance with the procedure laid down for a request of this type. The hon. member's remarks gave the impression that the request had originated with the premier of Newfoundland whereas it originated with the R.C.M.P.

Mr. Fisher: Speaking to the point of order, may I say that I did not say that. I was referring to Mr. Nicholson, one of the fearless members of the press gallery. This was

his interpretation. My whole point in reading this article was not to raise this problem but rather to underline the valiant stand taken by the minister probably within the cabinet to make sure that the mounted police did not go to Newfoundland.

Mr. McMillan: Like some other departments in the government, the Department of Justice has certain small statutory expenditures presumably to pay pensions to widows or to deceased employees. These expenditures are not discussed under any estimates. I want to ask the Minister of Justice by what authority this fund was set up covering statutory expenditures. I always presumed it was by reason of an order in council.

I notice one item in the estimates of the Department of Justice for an amount of $2,400. This $2,400 is to pay annual pensions to three widows in respect of their husbands who lost their lives in the performance of their duties.

Mr. Fulton: Mr. Chairman, could I ask the hon. member to which item he is referring? I have not located it and I wonder whether the hon. member could give me the item number.

Mr. McMillan: It follows item 177 and appears to be a special item under the heading "Pensions and other Benefits."

Mr. Fulton: Thank you.

Mr. McMillan: Two of these widows receive an annual pension of $900 each and the third widow receives an annual pension of $600. I do not know when these pensions were determined or how long they have been paid to these particular widows. They seem small in relation to the increased cost of living and increased pensions. I wonder whether the word "pension" is a misnomer.

I have been in parliament for 11 years and these pensions never seem to increase. They always remain the same, and I do not think things are the same today as they were before. I should like to have the minister's comment on these particular pensions. I think the committee will find a number of such pensions in other departments of the government.

Mr. Bourque: Mr. Chairman, as I was saying a short time ago, on May 20, 1958, I asked that cases made against pushers or drug addicts using goof balls be changed from the Department of National Health and Welfare and placed under the Criminal Code or some other law so that the R.C.M.P. could act under it, take these people in and prevent further distribution if possible.

All hon. members can see this article. "Goof balls" is big enough there for anybody to see; it occupies almost half a page. This is *La Patrie du Dimanche* of February 19, 1961 and the title of the article is:

(Translation):

Alarming situation

Goof balls available to high school students.

(Text):

That is, "Goof balls on the road of scholars". The article has five by-lines, but I will only read one because it is a very lengthy article:

(Translation):

Doctor and two nurses assaulted by patient, 15, in Notre Dame hospital.

Within a few days, riots in Montreal jail and St. Vincent de Paul penitentiary.

Woman murdered on St. Lawrence blvd., her assaillant hardly aware of what he was doing.

Within a few months, four in morgue due to poisoning.

Damage by goof balls, which represent an increasingly complex problem for justice and are the main enemy of order and public rest.

Those, Mr. Chairman, are five subheadings which reveal the damage wrought by goof balls and are evidence of the fact that those crimes were committed under the effect of goof balls.

(Text):

Mr. Hicks: Mr. Chairman, I wonder whether I could ask the hon. member a question. Would the hon. member please define "goof ball" for me? I do not know what it is. Will the hon. member tell me exactly what is in it and how it works?

Mr. Bourque: I am not a druggist and I cannot tell the hon. member what it contains. The users purchase these goof balls from druggists, I presume, or obtain them through some other channel.

Mr. Hicks: But I would like to know what it is. What is it? Is it made up of bread and butter, or castor oil, or Epsom salts, or what is it? What is in it?

Mr. Howard: Mr. Chairman. I wonder whether the answer to that question could perhaps be given by my hon. friend's colleague who was applauding so loudly a moment ago and who is a member of the medical profession.

Mr. Fulton: Mr. Chairman, does this not demonstrate pretty clearly that this question should be discussed under the estimates of the department of my colleague, the Minister of National Health and Welfare, who will have the officials here who can give us all this information?

Mr. Bourque: The minister—

The Acting Chairman (Mr. Chown): Order.

Mr. Bourque: The Minister of Justice—

Some hon. Members: Order.

The Acting Chairman (Mr. Chown): Order; I am already on my feet. I am inclined to the view I have already given to the committee. To some extent the hon. member was touching on the Department of Justice at various times and that was the reason why I permitted him to continue. But this is really a discussion of a social problem and it is the direct administrative responsibility of the Department of National Health and Welfare.

The hon. member will have an opportunity to present his case when the estimates of that department are before the committee. To the extent to which the hon. member is referring to the importation of drugs or trafficking in narcotics over the border, or bringing them in from other countries as was discussed by the hon. member for Vancouver Centre, I think it was, yesterday, this would appear to be applicable to the discussion.

Therefore I would ask the hon. member to limit his remarks to matters which are the direct administrative responsibility of the minister. With regard to that portion of his remarks which concern the responsibility of the Minister of National Health and Welfare, the hon. member can deal with that matter at a later date.

(Translation):

Mr. Deschatelets: Mr. Chairman, I submit with respect that if we took up this matter on the estimates of the Department of National Health and Welfare, it would be out of order.

Let me explain that in our view, the situation created by the use of goof balls is so alarming that it constitutes a problem for the Minister of Justice. We are seeking amendments to the Criminal Code to place barbituates on the same footing as drugs and put them under the same control of the R.C.M.P. In making this request, we find it necessary, to bolster our arguments—and I feel the hon. member for Outremont-St. Jean is completely in order—to establish the seriousness and dire social consequences resulting from the use of those barbiturates at the present time.

Therefore, I think the minister should tell us whether he soon proposes to bring forward amendments to the Criminal Code in an effort to stop the damage caused by this serious problem.

(Text):

Mr. Martineau: Mr. Chairman, on the point of order, you have referred to the question of relevancy and I think there is also the question of repetition to be considered at this stage.

The hon. member for Outremont-St. Jean has pointed out the situation and now he persists in repeating the same thing in all sorts of colours and guises. He is not really adding anything to what his colleagues, the hon. member for Megantic and others, have already said. His colleagues have said the same thing, and I think that on the point of repetition the hon. member should be ruled out of order, as well as on the question of his remarks not being relevant to the matter under discussion.

(Translation):

Mr. Caron: Mr. Chairman, some time ago, a question was directed to the Minister of National Health and Welfare about the review which could be made to solve the problem of the use of barbiturates, known as "goof balls".

At the time, the minister said he was considering the matter in co-operation with the authorities of the Department of Justice. Therefore, it is impossible to solve that problem without the co-operation of both departments.

I did not have time to read the page of *Hansard* where the matter is recorded, but I have a good memory and I recall what the minister said. He stated that the authorities of the Department of Justice had to be consulted to introduce legislation. Therefore, they are closely related in this matter. Furthermore, he cannot deny that the Department of Justice has some interest in the matter. Now, the hon. member is specifically asking the Minister of Justice to see to it that the matter be placed under the Criminal Code, in order that the R.C.M.P. may intervene in the matter, like in the matter of any other barbiturate. Consequently, I submit that the hon. member is not out of order.

Mr. Paul: Mr. Chairman, in answer to the argument put forward by the hon. member for Maisonneuve-Rosemont, I must say that the situation should first of all be cleared and that no member in this house considers the seriousness of the goof ball problem. But when the hon. member for Maisonneuve-Rosemont states that the Minister of Justice is the person qualified to hear the grievances of this house, I do not think that we can share his views because the use of goof balls cannot be considered as an unlawful action punishable under the Criminal Code before any legal definition is given of what goof balls are.

Mr. Denis: Then, let him do it.

Mr. Paul: The hon. member for St. Denis says: Let him do it. Any amendment to the food and drugs act must be introduced by the Minister of National Health and Welfare.

When the Minister of National Health and Welfare has stated that barbiturates or goofballs are drugs, the Criminal Code will then be amended accordingly and a provision to this effect will be included therein. Then, from the moment on, all transactions, sales or use of goof balls will constitute a crime and the Minister of Justice will have the authority to reply to the arguments raised by the hon. member for Outremont-St. Jean.

For the time being, we respectfully submit that the hon. member has no right to deal with goof balls.

(Text):

Mr. Fulton: I wonder if I could help to dispose of the point of order in a helpful manner and, indeed, dispose of the discussion as well by pointing out that as I understand the case of those who support the right of hon. members to speak about goof balls, it is that they were urging that we should place them under the provisions of the Criminal Code in the same way, one of them said, as narcotics presently are. May I point out that this is an entirely erroneous approach. Narcotics are not under the Criminal Code. There is a separate act—the Opium and Narcotic Drug Act—which is administered by my colleague the Minister of National Health and Welfare who is responsible for dealing with discussions concerning that measure. With regard to goof balls, I have referred repeatedly to what my colleague has said, namely, that he intends to introduce legislation to amend the Food and Drugs Act so as to deal with goof balls. That, again, will not be an amendment to the Criminal Code, and the responsibility of introducing and administering that act will be that of my colleague the Minister of National Health and Welfare. Because this question does not come under my administrative responsibility I have no officials here who can advise me. It is, in my submission, irrelevant to my department. Perhaps if hon. members would understand and appreciate the point that we are introducing legislation in the form of an amendment to the Food and Drugs Act, and that the question was never then, nor is it now, one of my administrative responsibilities, they will understand why I have endeavoured to point out, reasonably, I hope, that this is not a matter upon which I can be helpful. However, they can obtain all the information they feel they should have if they will wait until the appropriate time.

In connection with the length of time which has elapsed before bringing down legislation, I know that some hon. members are concerned about that, but we have been concerned about it, too. It is, of course, easy to assume an expert knowledge, but I can assure hon. members opposite that expert knowledge on the subject is not easy to come by and when you are dealing with a drug which, when properly used, is a legitimate aid to medicine you do not lightly pass laws outlawing it and making its possession illegal. This question must be approached on the basis of knowing that the measures taken are appropriate ones, that they are acceptable and that they will be enforceable. I know this has been one of the problems of my colleague the Minister of National Health and Welfare. I can assure hon. members it is not a case of simply writing an act and producing it within a month or two. There is more to be done in connection with this problem than might appear on the surface. However, my hon. friend has been working on this matter in conjunction with other departments that are in a position to advise him and his officials, and is now in a position to introduce legislation into this house next week if not earlier. At that time the hon. member for Outremont-St. Jean and others interested can get the fullest explanation, the fullest accounting of how the legislation will work. I am sorry, but I am unable to advise them on that point, with the best will in the world. So I suggest again that having had a fairly full reference made to this problem it might be considered appropriate to leave it either until the estimates of the other department are discussed or until the bill itself is introduced.

May I take advantage of this occasion to reply to some of the questions which have been asked on other subjects since I last rose to reply. The hon. member for Port Arthur praised me with one hand and damned me with the other. There is no objection to that on my part. I do recall that I had occasion once to admit to him that there had been delay in sending a reply to a letter, and I explained to him then some of the circumstances accounting for the delay. It was due to my absence at the moment when the reply was being prepared, and again after it had been prepared.

I was not aware there was a general feeling that correspondence from my office was slow. I will certainly look into that question and do what I can to remedy any defects. It may be that one reason why, in some cases, some extra time is taken to answer letters is that many deal with problems of a legal nature to which a swift reply cannot readily be given. It is one thing to send replies on subjects which deal with statistics, where all that is needed is to look up the record on the basis of the actual figures, and altogether another to deal with the great majority of

the communications which I receive, in connection with which time and care are necessary in order to prepare a suitable answer.

Another reason which may account for some delay is that I have made a rule, perhaps erroneously, that I should answer every letter which comes to my office. I am not referring to letters directed to the department. But when somebody writes to me, whether it is a member of parliament or somebody outside the house, I do like to send a reply. This is the general rule, and I have laid it down because I feel that people who write to a minister are entitled to an answer signed by the minister. I do not say this is done in every case, but it is my general approach. I must confess that on occasions this has had the result that there is more correspondence for my signature than I am able to keep up with, especially on occasions when I have been absent from Ottawa for fairly lengthy periods. I think perhaps I may have to modify that approach to see that interim acknowledgement goes out, signed by someone else. I shall have to look at the situation to see what can be done to remedy this dissatisfaction. My approach has been that every letter addressed to me is entitled to a reply from me, and I have always felt the reply should be carefully considered. For that reason, as well as the others which I have given, I should not deny that I may on occasion have been rather more behind with my correspondence than perhaps I should have been.

A further question was raised regarding the appointment of agents of the Minister of Justice and judges. I am not sure which point of view the hon. member for Port Arthur takes in respect of the appointment of agents—lawyers to act for or on behalf of judges. That hon. member has expressed a different approach today from that which I understood him to take yesterday. May I assure him, as well as other hon. members of this committee, that the criterion which is followed is, that agents of the Minister of Justice must be the most competent and proper persons in the field to represent the Minister of Justice in the carriage of litigation on behalf of the crown and the government of Canada. I have received criticism on occasion in that these persons, who were appointed as agents, have not always and inevitably been individuals who have been associated with me in a political way. I have not received very many criticisms of this kind, but I have received some.

In respect of the appointment of judges, we follow the same standard, in that a very high calibre must be secured in respect of each appointment to the bench. I have not made a statistical examination, or even attempted to make an analysis, of what may be the affiliation of those individuals we have appointed, because we attempt to avoid the influence of that factor upon our decisions. We try to obtain the best men available.

I can refer to one individual we elevated to the Supreme Court of Canada, who was a judge appointed to the Ontario bench by our predecessors. I am sure if I made an analysis I should find other similar cases. However, our approach has always been that members appointed to the bench must be the best men available for the job. That is the only criterion that we follow.

The hon. member for Port Arthur raised the question regarding the appointment of some one equivalent to an ombudsman in the Scandinavian countries, to carry out his functions in respect of our bill of rights. We did consider this matter very thoroughly, both at the time the bill of rights was being prepared and presented to the house, and since. While not rejecting the suggestion in principle, we felt that it is not capable of direct application to Canada, which is a country with a federal system. Outsiders may feel there is rather an anomalous situation in Canada, in that the criminal law is enacted by the federal parliament while its enforcement and administration are matters of provincial responsibility. The type of complaints with which I understand the ombudsman deals in Scandinavian countries are closely connected with the enforcement of criminal law, and it seemed to us it would not be an acceptable situation, in view of the provincial enforcement of criminal law, to have an individual, who fancied himself aggrieved, appealing to the federal government through an ombudsman, because of their complaint against the enforcement of the law by the provinces, which are responsible for that enforcement. I recognize, however, that an ombudsman is not confined to matters of criminal law, and that the suggestion is made that such an individual might also be useful in the function of reviewing administrative procedures of the federal government itself, in the enforcement of statutes which are the responsibility of the federal government. We have considered this suggestion but have felt, to the present time at any rate, that there is no indication that we cannot produce an equally satisfactory result, through a very careful check by the minister and the Department of Justice of legislation which is introduced, and a readiness to review any complaints which may be made with respect to actions of other departments. It is appreciated, of course, that I cannot direct other departments or veto their actions. We have had a number of cases of complaints being made

regarding other departments, at which time I have discussed these complaints with my colleagues on the basis of there being no objection to my discussing it with them, with the intention of reviewing and examining the complaint to see if there is anything involved which is contrary to the spirit as well as the letter of the bill of rights. In a number of cases we have made very extensive reviews of the activities of other departments on that basis.

It must always be borne in mind that the Minister of Justice cannot dictate in these matters. However, we have had no indication, as yet, that there is any serious gap as a result of this system which would necessitate the appointment of anyone in the nature of an ombudsman in this country. For those two reasons—the peculiarities of the federal system, and the fact that we have taken pains to review our own activities, as a government—I suggest that, as yet at any rate, we are not satisfied that there is any need for such an appointment.

The hon. member for Welland asked me about the authority for a statutory item appearing at the bottom of page 36, which provides $2,400 for pensions to dependents of penitentiary personnel, who lost their lives in the performance of their duty. In the first case there was a statute of 1914 which authorized the payment of an allowance of $500 to a Mrs. Jointson, the widow of an officer employed at the British Columbia penitentiary. This amount was increased by $400 in the main estimates of 1959-60, so that it was only last year that Mrs. Jointson's annual pension was increased from $500 to $900.

The second case involved a widow of another guard employed at the British Columbia penitentiary, and by an item appearing in the estimates, which was incorporated under the Appropriation Acts in 1927, this lady was granted an annual allowance of $600 commencing April 1, 1937. Last year we increased that amount by $300, making a total of $900, to continue during her natural life.

The third case was in respect to the widow of a guard employed at the Kingston penitentiary who was killed in 1926. Under the same authority in 1927 his widow was granted an allowance of $600 per annum. That amount has not been increased.

The Acting Chairman (Mr. Chown): Before I give the floor to the hon. member for Outremont-St. Jean, who assures me his remarks will be brief, I should like to place on the record my concurrence in the remarks made by the Minister of Justice regarding the point of order. Therefore, I should ask the hon. member to give his co-operation to the Chair, in the light of my concurrence in those remarks, by confining himself to a consideration of the estimates of this department as nearly as he possibly can.

Mr. Bourque: I will be very brief, Mr. Chairman. You have not given your ruling on the point of order. I was directing my remarks toward having this matter brought under the jurisdiction of the Minister of Justice instead of the Minister of National Health and Welfare. At the bottom of page 4487 of *Hansard* I had this to say in French:

(Translation):

I quote the Hon. W. Monteith, Minister of National Health and Welfare:

> Mr. Speaker, I have been investigating this situation for some months in co-operation with my colleague, the Minister of Justice.

(Text):

Therefore, it was being studied by both departments. If I cannot bring the matter up now I do not know when I shall be able to bring it up. This seems to me to be the proper time. I still believe I was in order until an hon. member across the chamber asked me the question, what are goof balls? He will find the answer at page 8 of the translation section of *Hansard* of May 25, 1961. The definition is given there.

Before I take my seat I should like to say that I sympathize with the Minister of Justice. I realize he is going to have a very difficult problem to handle because he will have to stop the sale of certain drugs. This may bring about a hardship on certain classes of society but since we are faced with a problem which must be dealt with we cannot delay and let it go on any longer. Therefore, I ask the minister whether he will not give this matter every possible consideration so that the proper measures will be taken to protect our youth in the future and goof balls not be available to them at any time.

Mr. Howard: The remarks of the Minister of Justice having to do with the implementation of legal justice are commendable. As I understood him, he obtains the services of the most competent lawyers in order to see that cases handled by the crown are handled in the best possible way.

Mr. Fulton: Within the requirements of the case. I did not mean to say that we always go to the man at the very top of the profession because that is not necessary in every case we have.

Mr. Howard: I understood the minister to say the most competent, I accepted that as meaning that the department selected a competent person. That is the sense in which

I am accepting it. So far as prosecutions under the Opium and Narcotic Drug Act are concerned, it seems that the most competent lawyers or firms of lawyers are Conservatives. This may be coincidental. It appears also that none of the lawyers or firms of lawyers who were retained for prosecutions prior to the minister's party taking office are now considered to be competent. Coincidentally again, these firms and lawyers are Liberals. This is shown conclusively. I think it is pretty well acknowledged that the change in government resulted in a change in the retention of certain lawyers and law firms in this country in the prosecution of narcotic offences. The change in government resulted in the dropping of the law firms and lawyers who were Liberals and who had been retained by the Liberal government when it was in office. Substituted for those lawyers and law firms has been a group of firms and lawyers who are Conservatively oriented, and I mean Conservative with a large "C". From the remarks of the minister I would say that this is purely coincidental. I will not bother to put the details of this on *Hansard*; I do not think it is necessary, Mr. Chairman. I submitted a question to the ministry about this and it bears the date January 17, 1961. My question had to do with the fees and remuneration paid to legal counsel for activities in prosecutions under the Opium and Narcotic Drug Act, the names and rates, the amounts paid to each individual, and so forth. It is rather an extensive list. One has merely to look casually at it to see the coincidental situation which has existed and which started when this government took office.

Mr. Fulton: I will be quite frank and say that we do not exclude from the list of those qualified those who happen to be our own friends.

Mr. Howard: I am sorry; I did not catch that.

Mr. Fulton: I will be quite frank and say that we do not exclude from those who are qualified those who happen also to be our friends.

Mr. Howard: I agree with that. It was put quite clearly on the record the other day by the Associate Minister of National Defence. I did not for a moment assume that there was this sort of division in the cabinet. I realize there may be divisions on other matters but certainly not when it comes to rewarding one's friends. I am sure this situation still prevails. I take it it is not coincidental that they all happen to be Conservative. Perhaps there is a bit more to it.

Mr. Fulton: I do not know what some of them are.

Mr. Howard: Before the committee took recess at one o'clock I had raised a question regarding the relationship between a Mr. Whitfield and the Canadian Marconi Company as it was affected by the bills of rights. In replying at that time the minister proceeded to draw what he called a logical conclusion from my remarks, and then proceeded to say that it was the advancement of an idea leading to dictatorship in granting arbitrary powers to the minister. Of course, this is not what I was suggesting at all. Further, I would say that when it comes to this government introducing legislation in this house, albeit prior to the time that the bill of rights was introduced, which is contrary to the bill of rights and which in fact places dictatorial powers in the hands of certain individuals and which in fact eliminates in one sense the operation of the courts as an integral part of our legal processes, hon. members will find this in the Feeds Act, being chapter 14 of the 1960 statutes. I merely bring this instance to the attention of the committee because this act contains sections which grossly violate the bill of rights and which, in my opinion, should be dealt with in somewhat the same manner as the Fisheries Act was dealt with. In other words, there should be a revision of this act to repeal those particular sections so that the bill of rights may really mean something.

Section 8 of the Feeds Act, Mr. Chairman, gives authority to an inspector to seize articles by means of or in relation to which he reasonably believes that a violation has been committed either against the act or the regulations. This is an arbitrary power, a dictatorial authority given to an inspector appointed under the Feeds Act to deprive an individual, contrary to the bill of rights, of his right to property and without due process of law. Presumably the word "reasonable" refers to reasonable grounds in the mind of the inspector, who reasonably believes that the Feeds Act or the regulations have been violated.

In addition, he reasonably believes that the property so confiscated or so seized was used to commit the offence. The act further provides that the inspector may release this property after a period of six months if a charge has not been laid. Here we find authority given by this government, and endorsed by this parliament, to a civil servant to deprive a person of property contrary to the bill of rights, and completely at variance with the minister's statement relating to the growing need to have the courts function as an integral part of our judicial system. The act further provides that if litigation is entered

into the goods so seized may be forfeited to the crown in addition to any other sort of fine or penalty imposed by the courts if the individual is found guilty.

I think, Mr. Chairman, that it is not in keeping with our good sense in attempting to discuss these things on an impartial basis for the minister to draw logical conclusions from the remarks of one member, and then extend those logical conclusions to include a charge of advancing a dictatorial type of system. I think those remarks are completely unfair, unjustified and are not what the minister, upon reflection, would call logical conclusions. In any event, even if he does consider they are logical conclusions, then we must come to another logical conclusion, namely, that this government does believe there are cases in which it is permissible to have the bill of rights violated by a statute of this parliament, a statute which was introduced by a colleague of the Minister of Justice, the Minister of Agriculture. The Feeds Act introduced by this government does violate the bill of rights in that it permits an individual to be deprived of property without due process of law, unless one extends the term "due process of law" to include dictatorial powers given by statute to an inspector. The act permits the minister to deprive an individual of his property for a period of six months without even getting around to laying a charge, and then to give that property back. The property may be of a perishable nature. It may be grain or it may be property which the farmer, for the sake of argument, needs in the conduct of his particular business, such as a truck or motor vehicle or some farm implement that he cannot use and which depreciates with the passage of time. I feel that this act also, to some extent, deprives an individual of the right to a fair hearing.

Another section of the Feeds Act provides that in a criminal prosecution—this is section 10 (2),—it is merely sufficient for the crown to prove the offence was committed by an employee or agent of the person accused, whether or not the employee or agent is identified or whether or not the employee or agent is actually prosecuted for the offence. In this instance we are talking about a function of the Attorney General of Canada, and we have finally found a case in which he is obligated to take some action. In this case the individual charged is being deprived of the right to a fair hearing because he has not had the opportunity of confronting the employee or agent or witness against him, nor has he had the opportunity to cross-examine the witness against him.

In this case we have action on the part of the government in introducing a bill, endorsed by the cabinet, at exactly the same time as the cabinet was considering and endorsing the bill of rights at the last session and which is indicative of an effort on the part of the government to operate in two different ways. On the one hand, the government is trying to say we will have a bill of rights that will protect the fundamental rights and freedoms of the individual; we will have a bill of rights which will say an individual shall not be deprived of his property except by due process of law; we will have a bill of rights which will say an individual is entitled to a fair hearing. Then, on the other hand, the government introduces a piece of legislation like the Feeds Act which in these two instances—there are about 10 others to which I shall not refer—violates these principles of the bill of rights about which this government gloats so much.

I think, Mr. Chairman, when we have the state of affairs where the minister is coming to some logical conclusion, as he calls it, and then founding on that conclusion a presumption of a dictatorial situation while at the same time the minister and his colleagues are guilty of violating the bill of rights itself, it is a rather sad situation. The government has violated the bill of rights, first, by enacting this Feeds Act; second, by retaining on the statute books, without amendment, other legislation such as the Customs Act and the Income Tax Act, which are in conflict with this bill of rights. In so far as the Income Tax Act is concerned this is not my opinion alone because there is a court decision, I believe in the province of Quebec, supporting this point of view.

I think it is a sad and sorry state of affairs, Mr. Chairman, when we have a minister with the intellect and ability of this minister, as was evidenced by the article written by Mr. Nicholson to which the hon. member for Port Arthur referred, lauding to the high heavens the efficacy of the bill of rights and how much it means, a minister who belongs to a political party which is shipping out propaganda prepared by Allister Grosart to the effect that the bill of rights really means something in this country, while at the same time drafting legislation which contravenes the bill of rights and is completely contradictory to it. This government, at the same time, refuses to introduce amendments to such legislation as the Income Tax Act and the Customs Act, both of which contain provisions that contravene the bill of rights in a terrible way.

Surely, Mr. Chairman, when we have a minister who belongs to a government that has this sort of record of supporting legislation which is contradictory to the bill of rights, supporting legislation which permits

individuals to be deprived of their property, supporting legislation which really removes the courts of this nation from their position as an integral part of the judicial system, we must look askance at any spurious reasoning on the part of that minister or his government in coming to so called logical conclusions on the basis of opinions expressed by other hon. members.

Mr. Fulton: May I answer this at once because this is the second year in which my hon. friend and others in his group have made similar assertions with regard to the Feeds Act, all of which are equally unfounded, and it is time they were answered again at once.

My hon. friend makes the assertion, and appears to believe that it will gather strength by repetition because he repeated it many times, that the Feeds Act is directly contrary to the bill of rights. The fact of the matter is that the Feeds Act is not contrary to the bill of rights and does not contravene it in any particular in letter or in spirit. Of course we had the bill of rights in mind in 1960 when the Feeds Act and other statutes of that year were drafted and were presented to the house. We took care, as we have taken care ever since 1957, that no statute that we present to the House of Commons will be contrary to the bill of rights because that was one of the basic views of this government as it still is.

My hon. friend refers to section 8 of the bill which gives an inspector the right to seize property which he believes has been used to commit a violation of the act. There is seizure, yes; and there is nothing contrary to the bill of rights in authorizing seizure of property which is believed on reasonable grounds to have been used for the commission of an offence against our laws, but there is no forfeiture without due process of law.

The very section to which my hon. friend refers goes on in its succeeding words to provide that the property shall be restored to the person from whom it was seized, at the end of six months unless within that time judicial proceedings have been instituted in respect of the violation. Then it goes on to provide that it is only as a result of conviction for the offence that the property may be retained by the crown: it is only then that the owner may be deprived of his property. That scheme was developed with the bill of rights very much in mind.

This committee will be aware of the fact that in many statutes in the past providing for seizure, the seizure became forfeiture, in many cases without due process of law, without the owner, whether innocent or otherwise, having any chance to assert his innocence of the crime or offence in connection with which the goods were seized. Whether innocent or otherwise, he was deprived of his property rights without the necessity of any conviction.

Here, because of our awareness of the bill of rights and the principle upon which legislation of this kind should in our view be founded, we have deliberately provided that there would be no forfeiture except on conviction and then the court may order the goods forfeited. Nothing then can be clearer than that forfeiture—that is actual deprivation of property—can only come about by due process of law. And in order to make certain that the crown cannot in effect deprive a person of his property simply by seizing it and then refraining from bringing action on the offence, it is provided that unless proceedings are started within six months the goods must be restored. That provision again was put in out of an abundance of caution. We do not believe that responsible administrators would be likely to follow such a course, but it is possible that they might do so. We therefore put in that provision expressly to make it impossible for the crown effectively to deprive a person of the enjoyment or ownership of property by seizing it and then just leaving the matter in abeyance. Hence there is no contravention of the bill of rights there. Indeed, the section was clearly drafted with the principle of the bill of rights very much in mind.

The other point that my hon. friend makes is that the bill contains a provision that makes it clear that although an offence may have been committed by an employee, it is sufficient to prove or to establish that it was committed by that employee or agent of the accused without the necessity of identifying personally who that employee or agent was and that then the owner is liable for the offence.

It is a well understood principle of criminal law, as it has been for years, and indeed it is a well understood principle of common law —and it is not contrary to the bill of rights —employers are liable for the acts of their employees committed in the course of their employment. The criminal liability of an employer for the act of his employee committed in the course of his duties is a matter that has been well understood and well recognized and that the bill of rights does not in any way challenge. But it must be borne in mind that even although that is a fairly complete liability, the Feeds Act does not relieve the crown of any onus of proof with respect to the offence. The crown must prove that the offence was committed by an employee of a person charged. They do not have

to prove by name who that individual was but they would have to prove that it was an employee or agent of the person charged. They cannot just come along and say "We know that somebody committed this offence and we think it was an employee of the person charged". They have to prove that it was an employee or agent of the person charged. Then the well known doctrine of liability for the acts of employees or agents authorized and committed in the course of their employment speaks for the rest of the situation.

I am sorry if my hon. friend does not, as I expect he will not, accept my explanation. However, I can only assure him that all the persons with whom I have discussed this act and in whose advice as experts I have confidence, have assured me that technically it has been drawn with the bill of rights concept in mind and that there is nothing in the act which in any sense runs counter to the bill of rights. This is the technical situation, and it is the same with regard to the spirit and intent of that act. As I have indicated, because of our awareness of the bill of rights and the bill of rights concept and the principle upon which we believe legislation should be founded, even though the bill of rights had not been enacted we carried its spirit into the Feeds Act.

Mr. Howard: I wonder if I might follow up that particular point. I can see the bill of rights becoming more and more a piece of flexible legislation and fairly soon, if we keep on with this practice, it will be distorted beyond all recognition and use. I can also see why there was such an insistence on the part of this government to include in the bill of rights the provision which would give a political figure the right to determine whether or not particular bills introduced to the house or particular regulations presented were or were not or are or are not consistent with the bill of rights. Because all this does is this, and it is becoming more obvious all the time. I say this with due regard for the minister as an individual and with strict reference to the office of the Minister of Justice no matter who may hold that position.

It is obvious that section of the bill of rights was designed to give to a political figure the right to determine whether or not bills were inconsistent with the bill of rights and whether or not proposed regulations were inconsistent with the bill of rights. This was done in the full knowledge that the Minister of Justice was a political figure, being part of the cabinet and sharing part of this so-called collective responsibility that exists within the cabinet. It was done knowing full well that the Minister of Justice would then be in a position to stretch the point, as it were, and to say in one instance, in so far as government legislation is concerned, that all of it is consistent with the bill of rights, and to say in another instance, in so far as legislation introduced by other hon. members is concerned, that it is inconsistent with the bill of rights or, "I do not want to make a decision" because it is politically embarrassing and therefore the minister argues the point that it is not properly before the house.

I think this shows that we do not need the Minister of Justice—I did not mean to stop there—to examine and determine whether bills and regulations are contrary to the bill of rights, because the Minister of Justice is likely to take a flexible point of view, a partisan point of view, a political point of view, or he may be simply hammered into a particular point of view by other members of the cabinet—again, Mr. Chairman, please remember that I am not referring to this individual minister; I am talking about ministers of justice in the sense of that office—to the point where the bill of rights becomes distorted by political considerations and by what is considered to be politically advantageous.

I think this also clearly indicates that what we do require is a body of the house somewhat similar in structure, perhaps, to the Auditor General's office, which would have the responsibility of reviewing the various bills as presented, various regulations as proposed and all statutes on the statute books at the present time. This body should have the authority to report to parliament, as the Auditor General reports regarding his discoveries in the financial fiscal field, in order that parliament would get a true, correct and non-politically advantageous point of view with respect to these particular bills.

The minister was correct in his assumption that I would not agree with what he said, and in this connection I refer particularly to section 10(2) of the Feeds Act. I did not read it all previously but I may just as well read it now:

> In a prosecution for an offence under this act, it is sufficient proof of the offence to establish that it was committed by an employee or agent of the accused whether or not the employee or agent is identified or has been prosecuted for the offence.

This is held by the minister to be completely in accord with the bill of rights. Let us place that on the scales against section 2 of the bill of rights which says that no law of Canada shall be construed or applied so as to:

> (e) deprive a person of the right to a fair hearing in accordance with the principles of fundamental justice for the determination of his rights and obligations;

Is it one of the principles of fundamental justice that you can convict a person, sentence him to jail and fine him because of the actions of one of his employees? Is this what is known as fundamental justice? This may be the type of fundamental justice in which the Conservative party believes. It existed some time in 1400 or 1500, but it is not the type of twentieth century justice that we have come to believe should be apparent in all walks of our society. This type of fundamental justice may well have existed in the days to which the party of my hon. friend looks back regularly, that is, to its birthday many years ago when people had relatively few rights under the law, but this certainly does not apply today.

Is it one of the principles of fundamental justice that the Minister of Justice, for argument's sake, if he were a farmer, could be convicted, sentenced to jail and fined because of the activities or actions of one of his employees, without his even knowing who the employee was?

Mr. Fulton: Mr. Chairman, may I answer that question at once. Yes, certainly it is a principle of fundamental justice, and has been for generations. What my hon. friend does not seem to realize is that where you have, for instance, a store and the clerk in the store sells something contrary to the act, it has been a principle for years that the owner of the store may be prosecuted and convicted. There is nothing new in this.

I cannot say any more than that it is a fundamental principle of justice, because otherwise what my hon. friend is asking is that we have two convictions, that we prosecute the employee individually and convict him, and then go after the owner. This has never been a principle of our law or of justice.

If the store is owned by an individual or a corporation, and a clerk sells something contrary to the act, the owner is liable, and always has been, and I think most sensible Canadians would want that situation to continue.

Mr. Howard: And I presume the employee is also liable?

Mr. Fulton: He may be liable also.

Mr. Howard: This, again, amounts to depriving somebody of the right to a fair hearing.

Mr. Fulton: Not at all, because under the provisions of section 8 the employee cannot be convicted unless he is prosecuted. Section 8 is directed to the situation with regard to the employer, who may be prosecuted and convicted even though the employee is not identified personally, provided the crown shows that it was an employee of that man who committed the offence. Of course, you would have to prosecute the employee before he could be convicted.

As I say, I think most Canadians would not want owners who operate stores to be sheltered behind the fact that some minor employee was involved. My hon. friend apparently wants the minor employee to carry the responsibility and the owner to get off scot-free. That is not our idea in the bill of rights.

Mr. Howard: Mr. Chairman, this is a deliberate misuse of what I was saying.

Mr. Fulton: No, it is the logical outcome of what you have said.

Mr. Howard: I do not know whether the Minister of Justice was the attorney general a while ago, or the crown prosecutor, or what he was, but just a moment ago the Minister of Justice deliberately took my words, distorted them and levelled accusations against me which were not implicit in what I said.

Mr. Fulton: My hon. friend does not know what he has been saying, that is the trouble, or the implications of what he has been saying.

An hon. Member: That is his usual trouble.

Mr. Howard: I merely say again to the Minister of Justice—and we need not get too excited or heated about this—that this is about the third time he has been caught out making accusations against me during these estimates—

An hon. Member: You are the one who has been caught out.

Mr. Howard: —when matters have been raised which are embarrassing to the minister and this government, and that is all it is.

Mr. Fulton: None is so blind as he who will not see.

Mr. Howard: I would commend to both the Minister of Justice and all hon. members the words of the Prime Minister:

> If the hon. gentleman, who does most of his talking from a seated position, will remain silent, I will continue with the argument.

I would also refer the minister to the Prime Minister's reference about those who have "an inveterate desire to babble away".

Mr. Fulton: Who has been on his feet all the time this afternoon?

Mr. Howard: The remark I have just quoted applies to a number of hon. members. First the Minister of Justice was accusing me of trying to promote a system of dictatorship in

this government, when he himself is a member of a government that really believes in it.

Mr. Churchill: That is quite wrong.

Mr. Howard: When he became embarrassed about that particular question the minister then attempted to accuse me of some other sort of activity with respect to a clerk selling something in a store, saying that I want the employee to be prosecuted without the due process of law.

Mr. Fulton: That is not what I said.

Mr. Howard: These assinine accusations are typical of these gentlemen who come from Kamloops, and in this regard the Minister of Justice has a good counterpart in another gentleman from Kamloops who is in the M.L.A. of British Columbia. I refer to the minister of highways. What it shows, conclusively, I think, is what results from having a political figure interpret whether or not particular bills are in conflict with the provisions of the bill of rights and how it is so easy to give political considerations the first run and have relatively little use for the real facts of the case.

I consider that the Minister of Justice has flexibly interpreted the bill of rights in order to protect his government and the Minister of Agriculture in so far as the Feeds Act is concerned and that he has flexibly interpreted the application of the bill of rights so that he would not need to make an embarrassing decision in connection with Bill No. C-76 introduced by the hon. member for Burin-Burgeo. These are instances where the minister has been caught out, and the hon. gentleman has resorted to his usual tactic of attacking other members, on the basis that attack is the best form of defence.

Mr. Fulton: The hon. gentleman should not try to put the blame on me when he is convicted out of his own mouth. I am not going to carry this argument further. It will be obvious to any hon. member who is prepared to look at this matter dispassionately, on which side of this discussion reason is to be found, though I know it will not be admitted by the hon. member who has just spoken. There is a further misunderstanding which will be obvious, I suggest, to everyone, though, once again, I do not think for a moment it will be admitted by the hon. member for Skeena. The hon. member persists in saying that it is a mistake to give the Minister of Justice responsibility for determining whether or not a statute is contrary to the provisions of the bill of rights. I point out for the information of the committee that the bill of rights does not give the minister any such responsibility. The courts, and the courts alone will determine whether a statute is contrary to the provisions of the bill of rights. I endeavoured to explain this in the course of the debate on the bill of rights.

It is true there is an obligation imposed on the minister to report to the House of Commons whether there is in his opinion anything inconsistent between a particular bill and the provisions of the bill of rights. This is the one occasion on which, as far as I know, the minister has a statutory duty to advise the House of Commons. But the House of Commons does not have to accept his advice. The house can say, if it wishes, tha it does not agree, and may take the view that a particular bill is contrary to the provisions of the bill of rights, notwithstanding the report made by the Minister of Justice. The House of Commons is the master of its own decisions, and the Minister of Justice neither can nor wishes to dictate to it. But whether the minister is right or wrong, and whether the House of Commons accepts his opinion or not, it is the courts and the courts alone which have to make the final decision, and this was the system envisaged in the bill of rights, as we endeavoured to make clear at the time.

As far as all the other red herrings trailed by the hon. member for Skeena are concerned, may I say to him again that it is perfectly clear I am not in the least embarrassed by any report I may have to make. I did not report on one particular bill because I did not think it was properly before the house, but I stated without hesitation, when the proper occasion arose, that in my view the Fisheries Act as it previously existed contained provisions contrary to what is contained in the bill of rights, and this government introduced legislation to remove those provisions and bring the act into conformity with the bill of rights. The hon. member will find another bill to be introduced shortly where provision is made for bringing a statute into conformity with the bill of rights by amending an existing statute. We have no embarrassment about saying that a measure is contrary to the provisions of the bill of rights and taking action to amend it when we present bills to the house. However, with deference to the views of others, I must be allowed to interpret for myself what my duty is and I suggest I can scarcely be criticized if I interpret my responsibility as being not to make a report to the house at the wrong time.

Mr. Howard: The minister says he does not expect me to be in accord with the views he has expressed. Technically speaking, it is true that the courts interpret our statutes and find out what they mean, but in the first instance the minister has a duty to examine

bills and say whether or not they are consistent with the provision of the bill of rights. He is ordered to examine every bill presented to the House of Commons with that purpose in mind. Certainly this involves interpreting those statutes in the light of the requirements of the bill of rights. It is in this sense that I used that expression. I do not think the minister would deny that he has the obligation to examine bills from this point of view. Certainly, when they become statutes the courts are involved and would then determine whether or not they are consistent with the provisions of the bill of rights, along the same lines as the decision with respect to the Income Tax Act in Quebec and the decision reached in the community of Lillooet in British Columbia concerning whether a certain section of the Indian Act is in conflict with the bill of rights. However, the minister has the initial responsibility of reviewing new legislation and it is in this sense that I say it is a mistake to give this authority to a political figure.

Mr. Fulton: There is no authority given to me. There is a responsibility imposed upon me to report to the house.

Mr. Howard: Then you should exercise it once in a while.

Mr. Carter: If this is the responsibility imposed on the Minister of Justice, it is certainly one which he imposed on himself, or which his government imposed on him, because it was his government which brought in the legislation requiring the minister to make a report of this kind on bills introduced in the house.

I gather from what the minister said in his reply to the hon. member for Skeena a few moments ago that the purpose of this report is to advise members in dealing with legislation going through the house. I take it that is the reply to the question which I sought to have answered by the hon. gentleman yesterday. But what is the use of this advice to hon. members if we are unable to get it, as we could not get it in the case of Bill No. C-76, and what use is it if the minister himself can determine whether or not a report should be made, if he is to be the sole arbiter of whether something is before the house or whether it is not before the house. If the hon. gentleman can refrain from making a report whenever it suits him, what kind of a report is it? I think that is the heart of the question which the hon. member for Skeena is raising.

Earlier this afternoon in replying to the hon. member for Skeena the minister said that the seizure of a person's goods did not constitute an interference with the rights of an individual provided there is no penalty—

Mr. Fulton: That is not what I said.

Mr. Carter: The minister referred to seizure. The minister also said, again this afternoon, that the new fisheries legislation, Bill No. C-86, was examined by him and found not to be inconsistent with the bill of rights. I want to put a concrete case on record which I think will prove that the minister is wrong. Hon. members will recall that I protested at the time this particular piece of legislation was before the house, on the grounds that the seizure of property—

Mr. Fulton: On a point of order, Mr. Chairman, I suggest that we had a debate on this subject when the Fisheries Act was before the house. The question of whether or not is was in conformity with the bill of rights was raised, and the house apparently accepted my report that it was in conformity with those provisions. I suggest that it is not in order, on my estimates, to revert to that debate.

Mr. Carter: On the point of order, I am not reviving a debate on that legislation. The hon. member for Skeena drew attention to a number of cases in which the provisions of the bill of rights were contravened, including the Feeds Act. I am doing the same thing now.

Mr. Fulton: That was passed two years ago.

Mr. Carter: I intend to direct the minister's attention to a situation which contravenes the bill of rights in respect of the Fisheries Act. To do so I shall cite an example.

Mr. Fulton: Mr. Chairman, with all respect I must ask you to rule on this matter. I do not recall for certain, but I believe the hon. member voted for the bill to revise the Fisheries Act. It was carried after we had a discussion as to whether it was in conformity with the bill of rights or not; that was one of the issues raised at the time and was thoroughly discussed. A decision was made in respect to it during this session. I simply wish to draw attention to the rule of this house which makes it out of order for any hon. member to revive or debate decisions of this house made during the same session. The Feeds Act was decided two years ago, and I should suggest there is no similarity between raising a question in regard to the Feeds Act conforming with the bill of rights, and reviving a debate in respect of the revised Fisheries Act, the debate of which has only been concluded at this session.

Mr. Carter: I am not reviving the debate on the Fisheries Act. The minister has not permitted me to say enough in respect of what I intend to place before this committee so that the chairman can make a ruling.

The Chairman: Perhaps the hon. gentleman will pursue his remarks a little further, in order that I may decide whether he is within the rules.

Mr. Carter: Mr. Chairman, I base my remarks on a statement made by the Minister of Justice earlier this afternoon in reply to the hon. member for Skeena. I intend to present an example indicating that the Fisheries Act does not conform to the bill of rights. I intended to point out that, where a seizure is made of any property, whether it be made under the provisions of the Fisheries Act or any other act, which deprives an individual of earning a livelihood, that act, under which the seizure is made, is contrary to the principles of our bill of rights. I suggest that is true, because the greatest right a citizen may enjoy is the right to live and, when that right is removed through the seizure of his means of earning a livelihood, it is contrary to the bill of rights.

I intended, when I was interrupted, to present an example which would indicate the accurateness of what I suggest, which happens to involve the seizure of fishing property under the Fisheries Act. I did not intend to revive the debate on the Fisheries Act, but to suggest that such a seizure, under any act, would exemplify the situation I have in mind. The example I intend to use involves a fisherman whose nets were seized by a fisheries officer under the provisions of the Fisheries Act.

Mr. Fulton: Which Fisheries Act, the old or the new?

Mr. Carter: I suggest it does not make any difference.

Mr. Jones: You do not know the difference.

Mr. Carter: The point which I have in mind is one of four which the minister did not change in the re-enactment of the Fisheries Act, and is the reason why I protest the certification, given this house by the minister, in relation to the new Fisheries Act, that it does not contravene the bill of rights. I agree with the suggestion of the minister that I voted for the bill. I did so because it contained better provisions than the old Fisheries Act. I felt that half a loaf was better than none at all.

Mr. Fulton: Mr. Chairman, the provisions regarding seizure and forfeiture under the new Fisheries Act are quite different from those under the old act. I suggest the hon. member is not only seeking to revive a debate of this session, but is now seeking to discuss a statute which is no longer in force.

Mr. Carter: No, Mr. Chairman, I am not doing that at all.

[Mr. Carter.]

Mr. Fulton: You are.

Mr. Carter: Will the minister deny that the present act allows a fisheries officer to seize a fisherman's property? If the minister will deny that, I will sit down. I suggest he cannot deny that fact, and is interpreting my remarks without any foundation of fact at all.

Mr. Chairman, to go on with the example, a fisherman's nets were seized apparently by individuals who had no knowledge regarding boats or fishing equipment, and who were probably more at home behind a desk. Following the seizure of this man's nets the man was brought before the courts. After the case against him was presented, the magistrate found that he had not offended against the Fisheries Act in any way, and dismissed the charge against him. The nets which had been seized, and stored, were eventually returned to him. They had not been properly taken care of; had been left wet to mould and rot. Upon their return to the fisherman they were worthless and of absolutely no value to him.

I remind hon. members that the court decided this man had committed no offence at all. Nevertheless, because of the fact that the nets were returned to him in a useless condition, and because he had been denied the use of the nets from the time of seizure, and thereafter, he was penalized. In addition to that, this man now finds himself without nets and, because of his lack of finances, unable to purchase new ones. He has no recourse and is unable to recover the value of his nets because he is a poor man; unable to go through the legal processes of suing the crown for the damages he has suffered. I suggest in this instance the man has been deprived of his right to earn a living and suggest, therefore, the act under which this seizure was made contravenes the provisions of our bill of rights.

The Chairman: Order. Perhaps I may stop the hon. gentleman at this point and say that I have been wondering whether the general discussion has been in order, inasmuch as it has not been confined to section 3 of the bill of rights. Hon. members have adopted a course that the Minister of Justice is responsible for any provision which may be contained in any act. That does not represent my view of the situation, and I would suggest it should not be the view of the committee generally. Any discussion in regard to the application of section 3 of the bill of rights is, of course, in order. However, I suggest that in any discussion based on the provisions of any act, one should not confuse the responsibilities of the minister, the government, or parliament itself. It is for that reason I have expressed some doubt as

to the propriety of many of the comments which have been made since I returned to this chamber this afternoon. I did not intend to interrupt the hon. member in view of the great number of references which have been made this afternoon, as well as yesterday, in respect to this particular subject, but I suggest that hon. members confine their discussion to subjects which are in order, and appropriate to our consideration of the estimates of the Minister of Justice. I do not intend to make any ruling now, but I should like to draw the attention of the committee to the fact that I have some grave doubts regarding the propriety of some of the statements which have been made.

(Translation):

Mr. Caron: Mr. Chairman, I will now pass to another subject which will probably put the discussion on more solid ground.

The minister announced the introduction of:

A bill to carry out a narcotics control program, a bill to revise the Criminal Code to deal with dangerous sexual offenders and matters of that sort and also a bill to amend the Food and Drugs Act to deal with barbiturates.

The point I wish to make is that penalties are not proportionate to the crimes committed.

I see that section 138 of the Criminal Code authorizes judges to sentence to life imprisonment or to whipping, according to the judgment of the one who hears the case, any man who is found guilty of having had sexual intercourse with a woman, other than his wife, who is less that 14 years old, regardless of whether the accused knew or did not know that his victim was less that 14. Judges are not compelled to pass such sentence; they merely have the authority of doing so.

I feel that when a child under 12 is raped, the minimum sentence should be made more strict.

We have heard of psychopaths attacking chidren four or five years old and causing such harm to them that the latter were practically maimed for life, not to mention the dangerous inclination they were given by coming into contact too early with things they should have learned much later in life.

Yet, some judges, either because they lack firmness or for some other reason, have handed out sentences of only three to four years while the victim was left to suffer all her life from the attack. Minimum sentences should be more stringent in such cases.

Since the minister is presently preparing a bill in that regard I think he should provide for a stiffer minimum sentence and take away from the judges the authority of passing a lighter sentence, at their discretion.

When the victim is a child of less than 12, when violence is involved, when the victim's personality has been practically destroyed, not only should the penalty be life imprisonment but there should be a minimum of 25 years detention with the whip as an extra.

Perhaps it will be said that I am a sadist. Yesterday evening, I heard a psychiatrist say on television that those who demand the retention of capital punishment are sadists, in a way. Such sadism is good for the protection of society. Our first concern should be the protection of society rather than the protection of criminals.

This is why I suggest that the sentence should be at least 25 years when a child is violently assaulted to the extent that it will be marked for the rest of its life.

I suggest that in such cases the minimum sentence be 25 years in the penitentiary with flogging.

A judge should be empowered to impose capital punishment to an individual convicted of such a crime. Capital punishment applies to kidnapping in the United States, and the individual convicted of that crime goes to the electric chair.

For my part, I think rape involving a child is a far more odious crime and, therefore, I do not think that 25 years with flogging is too much. I even suggest that the judge be allowed to sentence the convict to capital punishment under certain circumstances.

Mr. Chairman, I now turn to another field, narcotics.

There are those who will say that the narcotics act is the responsibility of the Department of National Health and Welfare.

However, it must be remembered that the Minister of National Health and Welfare cannot amend the narcotics act without first consulting the Department of Justice.

And as the minister indicated yesterday, a new bill will be submitted shortly. Under the circumstances, and following the hon. member for Skeena (Mr. Howard), I say we must make every effort to try to cure the drug addicts.

I think very severe penalties should be imposed when it is proven that a person was the leader of a narcotic ring, as happened recently in Montreal.

Indeed, I consider the drug distributor as guilty of an even greater offence than murder, because he kills the personality and draws the victim of this vice into a dead end.

Such a person should get not ten years, as it happened, but a minimum of 25 years and the lash.

Furthermore, in such a case, the judge should be entitled to impose the death sentence, because the drug peddler has killed the souls of people by destroying their personality. Those victims may later become murderers and be sent to the gallows.

A person who organizes the sale of narcotics in this country, thus promoting a new attitude on the part of drug addicts, is worse than a murderer.

In that case, the only true murderer is probably not the one who killed, but the one who prepared him for it by supplying the necessary drugs and inciting him to commit the offence.

That is why I ask the Minister of Justice, to see to it, when drafting those laws that we shall discuss, that they at least be strict enough to be a deterrent for those pushers who accumulated millions by selling the drugs. For, having been sentenced to ten years' imprisonment, they will probably be released after five, and return to society to enjoy their accrued capital under the very noses of their victims. The matter is important, and I shall ask the minister to study very seriously that aspect of the legislation in order to protect society not so much against the murderer, who committed the act because of the drugs sold to him, and therefore tends to be considered as the real offender, but against the narcotics pusher who is the true offender. Society must be protected against those swindlers at any price.

I therefore ask the minister to provide stricter legislation with regard to such people, rather than murderers, because the latter are in a way, often the victims of individuals who, all their lives have made profit out of vice.

Mr. Roberge: Mr. Chairman, I note that yesterday, hon. members for Hochelaga and Maisonneuve-Rosemont (Mr. Eudes and Mr. Deschatelets) raised certain points in respect of a brief which was submitted to the Minister of Justice (Mr. Fulton) in March 1961, and, as I have only a few more minutes to go before the period set aside for the discussion of public bills, I wonder whether he would give an answer in that respect.

(Text):

Mr. Fulton: I replied certainly in part, if not completely, to that matter yesterday when I said that the matter of firearms—I think this is the one dealing with the firearms provision of the code—is very much before us. We submitted certain tentative proposals to the commissioners on uniformity of laws in the criminal law section last year. They reported back to us for further study, and we intend the matter to go before them again this fall. In the meantime the brief reflecting the point of view of the association of Canadian police chiefs will be carefully considered and those suggestions borne in mind in the reference back to the commissioners and in discussion there.

Mr. Peters: Will you call it five o'clock, Mr. Chairman?

Mr. Fulton: We have had a good two days' discussion. Will the committee carry the first item and deal with the particulars tomorrow?

The Chairman: Since it is five o'clock, in order to permit the house to deal with public and private bills, pursuant to standing order 15 (3), it is my duty to report progress and request leave to sit again later this day, or next sitting of the house, as the case may be.

Progress reported.

Mr. Speaker: It being five o'clock, the house will now proceed to the consideration of public and private bills, the former having precedence.

INDUSTRIAL RELATIONS

SUGGESTED REVISION OF MEDIATION AND CONCILIATION PROCESSES

On the order:

Second reading of Bill C-30, an act to amend the Industrial Relations and Disputes Investigation Act.—Mr. Howard.

Mr. Speaker: The hon. member for Vancouver-Kingsway (Mr. Browne) and the hon. member for Parry Sound-Muskoka (Mr. Aiken) both raised a point of order with respect to the position of this order of the day on the order paper, which I deferred for disposition at this time. I shall be glad to hear the hon. member for Vancouver-Kingsway, who I see is rising, if he has something to add to what he said the other day on the same point of order.

Mr. J. F. Browne (Vancouver-Kingsway): Thank you, Mr. Speaker, for the opportunity to make one or two more comments on this matter. At the time I raised the point of order before I did not have before me the copy of *Hansard* for the previous day. I should like to bring to Your Honour's attention page 5083 of *Hansard* of Friday, May 19, 1961. When the order for second reading of Bill No. C-30, to amend the Industrial Relations and Disputes Investigation Act, was read by the Clerk, the hon. member for Skeena (Mr. Howard) had an opportunity to move second

reading of his bill. I believe that the citation which I drew to Your Honour's attention at that time, namely citation 380 of Beauchesne's Parliamentary Rules and Forms, fourth edition, indicates quite clearly that an obligation is placed on an hon. member. When the order is read by the Clerk he is then obligated to rise and move second reading of his bill.

Now, the hon. member for Skeena (Mr. Howard) failed to do that at that time. I suggest to Your Honour that by attempting to have hon. members call it six o'clock when it was only five minutes to six, he indicated quite clearly he was not prepared to move second reading of the bill. If I may refer to *Hansard*, the same page, 5083, I find that after the house declined to call it six o'clock, the hon. member for Skeena then went on to say this:

> If hon. members are not inclined to follow the course suggested by me,—

In other words, because we declined to call it six o'clock when it was not six o'clock, the hon. member went on to take another course to dispose of the bill. I feel very strongly that this course of action was taken simply to prevent the second reading of the bill at that time in order that it would retain its place on the order paper, which it should not have retained. I submit this very seriously affects the rights of every private member to have bills heard. As we know, the time for the consideration of private bills is limited during the session. It is obvious that if this bill is heard first, some of those at the bottom of the order paper will not be heard at all. This very seriously affects the rights of hon. members.

There has been difficulty in this regard already involving the hon. member for Skeena because he is one of those members who, during the whole of the last session, filibustered the divorce bills and prevented other private bills from being heard.

Mr. Speaker: Order; I think the hon. member would be departing from the point of order if he were to discuss the conduct of the hon. member in connection with other matters.

Mr. Browne (Vancouver-Kingsway): I am drawing to the attention of the house the difficulty in which other private members are placed in trying to have their bills considered. Almost half of the time allotted for private members' bills during this session has been taken up by a filibuster in connection with another bill, and the hon. member for Skeena has been involved in this event as well.

Mr. Speaker: May I ask the hon. member one question, the answer to which would be of considerable assistance. Does he assert that the purpose for which an hon. member raises a point of order has any relevance when the house is considering that point of order? In other words, if a member has a right to raise a point of order, is there any obligation to consider the purpose for which he raised it? That is one argument which the hon. member advances, and I wonder whether or not he has considered the proposition and asserts it to be the case?

Mr. Browne (Vancouver-Kingsway): I do raise that point for your consideration. I fail to see how a point of order could possibly intervene after the order for second reading of Bill No. C-30 was read by the Clerk. At that time there was an obligation on the hon. member for Skeena to move second reading of his bill. The raising of a point of order for the purpose of ensuring that the bill does not come before the house, does not relieve his obligation.

I started to read citation 385 of Beauchesne's fourth edition, but at that time Your Honour felt the whole matter could be considered at a later time and I did not complete my reading of that citation. It is relevant, and reads:

> If, when the order of the day is read at the table, no motion be made for the second reading or other stage of a bill, or for its postponement, it becomes a dropped order, and does not appear again upon the notice paper, unless another day be appointed for its consideration.

I suggest to Your Honour that no motion was made for second reading of this bill and, therefore, it clearly comes within this citation and should be considered as a dropped order.

The hon. member for Parry Sound-Muskoka brought to Your Honour's attention citation 87. He placed one or two of the relevant clauses before you at that time, but I should like to read citation 87 of Beauchesne's fourth edition, section 4, which has a bearing on the matter and reads as follows:

> It is one of the fundamental principles of parliamentary procedure that when nothing is done respecting an order of business it is struck out and cannot make further progress until the procedure regulating its passage has been regulated by the house.

Now, nothing was done in connection with the case. It was not brought before the house. Beauchesne's fourth edition, citation 87, points out very clearly that when an order has been read it must thereupon be proceeded with, appointed for a day or discharged. I suggest that none of these things happened in this case, although there was sufficient time.

In addition to the arguments I have advanced in connection with these citations,

I believe that the only reason the hon. member raised the point of order was that he wanted to call it six o'clock. In his own words, he indicated that he was raising the point of order because we would not agree to call it six o'clock, thus ensuring that the bill would not come before the house. I suggest that was the only reason he raised that point of order and for that reason I believe the relevance of the point of order does become a factor in this discussion.

Mr. J. H. Horner (Acadia): I wonder, Mr. Speaker, if I might say a word on this point of order. Actually, the hon. member for Skeena (Mr. Howard) did raise a point of order and in speaking to it he said, as recorded on page 5083 of *Hansard*:

> My point of order is that some time ago a statement of policy was made by a representative of the government with respect to public bills sponsored by private members.

The hon. member then went on to say that such bills shall be heard and given full study. He said:

> Today we have seen this course followed in an admirable way,—

Actually, the hon. member had no point of order and I would suggest to Your Honour that his bill was up for second reading, the order was read to the house, and the hon. member for Skeena actually raised an invalid point of order in order to protect the position of his bill on the order paper.

Mr. John Drysdale (Burnaby-Richmond): May I make one or two comments on this particular matter, Mr. Speaker? I had a very edifying experience very early in my career, sir, when I tried to do something of a similar nature. As will be seen from a perusal of page 1730 of *Hansard* for June 27, 1958, I was speaking to a motion for second reading of my bill when Your Honour indicated that I was not entitled to read from an editorial. My situation at that time was similar to that of the hon. member for Skeena (Mr. Howard), and I rose on a question of privilege relating to my right to refer to this particular editorial.

At that time, you, in effect, questioned the right of an hon. member to interrupt himself and proceed with another matter. I suggest that, although at that particular time I raised a question of privilege, a point of order is similar and what the hon. member for Skeena was seeking to do was to interrupt himself. Once the Clerk of the house had read the order, as is clearly indicated in *Hansard* at page 5083—

> Second reading of Bill C-30, an act to amend the Industrial Relations and Disputes Investigation Act—Mr. Howard.—
>
> [Mr. Browne (Vancouver-Kingsway).]

—the hon. member then had no alternative but to proceed with this particular measure. He endeavoured to interrupt himself, just as I did, and I suggest a ruling should have been made that he was not entitled to interrupt himself. The bill was called for second reading and the hon. member decided to take up the time by talking on another matter which, I suggest, was irrelevant. If he wishes to utilize the time available for this particular bill by discussing a point of order, then perhaps that is his prerogative. I would suggest that the bill was properly before the house. The hon. member should have proceeded with it. He was not entitled to interrupt himself on a point of order as he sought to do. But if he wished to dispose of the bill himself by talking it out on a point of order, I might suggest that perhaps that was up to him, because there was not sufficient time for a reply to be made. But having erroneously interrupted himself and proceeded to that particular point, I think he is estopped in effect from proceeding with the bill. I think there was a strong indication, that the course of action he was taking was a delaying tactic in light of the fact that at five minutes to six he called it six o'clock.

But having had his day in court, shall we say, I think the bill is passed. There are other members such as the hon. member for Kingsway (Mr. Browne) and myself, as a matter of fact, who are very close to getting our bills before the house. We are approaching the end of the session, and the hon. member for Vancouver-Kingsway and myself are anxious to have our bills discussed before the house. Although I sympathize with the hon. member for Skeena in the unfortunate situation in which he finds himself nevertheless I feel that he has had his chance. His timing was not too good but his opportunity has passed. I think we should now proceed with the next order of business, Mr. Speaker, and that you should rule that the hon. member for Skeena has had his opportunity to speak; that if he chose to speak on a point of order, that matter was up to him, but that his opportunity has passed.

Mr. Howard: I wish to make one brief comment, although I covered it when this point of order was initially raised by the hon. member for Vancouver-Kingsway (Mr. Browne). I contended that he was incorrect in raising it then just as I contend that he is incorrect in raising it now. I think that is the essence of it, although it was not put very well there. It is interesting to note that the viewpoint is being maintained by the hon. member for Burnaby-Richmond (Mr. Drysdale) who, by his own admission, along with the hon. member for Vancouver-Kingsway

has a peculiarly personal interest in this matter. Those hon. members are next in line.

I would say this. While the hon. member for Burnaby-Richmond on a previous occasion was prevented from interrupting himself, I pointed out that by raising the point of order I was not interrupting myself because no motion had been made with respect to the matter.

Mr. Drysdale: I would point out that in the rules there is no provision which permits an hon. member, once a bill has been read out by the Clerk, to intervene on a point of order. Perhaps it might be possible to do so on a question of privilege. I would suggest that the proper way for it to have been done was for him to indicate that he was proceeding with the bill, to start the discussion of the bill and that then it might have been possible to raise a point of order at that particular time.

As a matter of interest, I may say that I am down to seventh or eighth place in the matter of precedence. There are several other hon. members ahead of me and behind me who have a similar interest in getting on with a discussion of their particular bills. I think the suggestion made by the hon. member in that respect is erroneous.

As to the time of intervention or interjection by the hon. member for Vancouver-Kingsway, may I say he raised it last Saturday morning at the first opportunity when the order paper was obviously in error in having the hon. member's bill at the top of the list. I would suggest that he was completely in order today in rising on this specific point of order again when the bill was improperly at the head of the list. I think the hon. member for Skeena is in error in suggesting there was a mistake on the part of the hon. member for Vancouver-Kingsway when he raised this matter.

Mr. Pallett: If I may, Mr. Speaker, I should like to say a few words on this matter because I think there may be something to be added to what has already been said by the hon. member for Vancouver-Kingsway, the hon. member for Burnaby-Richmond and the hon. member for Skeena. They have very carefully referred to Beauchesne, paragraphs 380, 385 and 87. However, the matter hinges on the interpretation of standing order 19 (1) and (2). If I may, I should like to refer for a moment to some of the documents of the house itself in order to assist Your Honour in interpreting this particular section.

I think the matter is one of considerable importance to the private members of this house. The time allocated to them is set out on definite hours or definite days. If for some reason or another—and I am not suggesting that this was the situation in this case—an hon. member's bill is not reached until the private members hour is fairly well along, it is not beyond the realm of possibility that a point of order should be raised by that member with, for example, even 15 minutes to go of the hour and that such time could be used up in that way. It is not a question of a few minutes—I just used that figure by way of illustration—but it is a question of whether this procedure might not be used as a device some time in the future for the purpose of getting an hon. member's bill in a priority position on the order paper or by way of a device to maintain it there.

With that point in mind, I think this decision is probably one of the most serious ones affecting the private members of the house that Your Honour has been called upon to make for some time. Standing order 19 states:

(1) Questions put by members and notices of motions, not taken up when called may (upon the request of the government) be allowed to stand and retain their precedence; otherwise they will disappear from the order paper. They may, however, be renewed.

(2) Orders not proceeded with when called, upon the like request,—

And it has been ruled by Your Honour in this house that "upon the like request" refers to a request of the government.

—may be allowed to stand retaining their precedence; otherwise they shall be dropped and be placed on the order paper for the next sitting after those of the same class at a similar stage.

(3) All orders not disposed of at the adjournment of the house shall be postponed until the next sitting day, without a motion to that effect.

In ruling I think Your Honour must determine what is meant by the words "proceeded with when called". I would refer Your Honour to the record of this house which is called *Votes and Proceedings*. Nowhere in it in reference to orders do you find a question called. I refer to the day on which this particular matter was dealt with, namely Friday, May 19. Proceeding to some bills that preceded Bill No. C-30, we find in *Votes and Proceedings* of May 19, at page 565, under the heading "Public Bills" and referring to Bill No. C-27:

The order being read for the second reading of Bill C-27, an act to amend the the Senate and House of Commons Act (Solicitor General's Eligibility);

Then we go on to the next one and we find the following:

The order being read for the second reading of Bill C-29, an act to amend the Representation Act;

Following this recital in *Votes and Proceedings* we then have the recital that the hon. member made a motion, duly seconded, in the particular cases. I suggest to Your Honour

that under standing order 19 (1) and (2) the motion being "called" is identical with being "read"; and so in *Votes and Proceedings* also of May 19 with respect to the bill in question, namely Bill No. C-30, we find the following:

> The order being read for the second reading of Bill C-30, an act to amend the Industrial Relations and Disputes Investigation Act;

I submit, Your Honour, that this is the same as being called under standing order 19. Whether or not the point of order raised was a bona fide or a bogus one is a matter I think Your Honour is not called upon to decide. I think it is a question of these particular words.

In the event that "called" is not the same as "read", some steps will have to be taken to rewrite *Votes and Proceedings* for many years, because it is in this context that the official records of the house have been kept.

If "read" is the same as "called", the authorities referred to by the hon. member for Vancouver-Kingsway contained in Beauchesne, citations 380, 385 and 87, are pertinent. Your Honour will also find in May, fifteenth edition, and all other authorities, that when an order is read—he refers to "read" and not "called"—and not proceeded with, it is dropped.

I submit these points for Your Honour's consideration in making this very vital decision, which is one that could have very far reaching effects on the rights of hon. members of this house to proceed with the business that is "called" by our wording but "read" by the wording in the official record of proceedings of the house and by the wording in the authorities for other houses.

For these reasons I submit that the arguments advanced by the hon. members for Vancouver-Kingsway and Vancouver-Burrard are most important and certainly should be given very earnest and serious consideration by Your Honour.

Mr. Drysdale: Mr. Speaker, I just want to supplement very briefly what the hon. member has said. Perhaps I should correct the hon. member and tell him that my riding is Burnaby-Richmond. The hon. member for Vancouver-Burrard is not present at this time.

Mr. Pallett: I am sorry.

Mr. Drysdale: He probably has enough problems without this submission being attributed to him. I should like to refer to Erskine May's Parliamentary Practice, sixteenth edition, page 533. The wording is somewhat similar to Beauchesne. May refers to bills dropped and says:

> It may here be stated, that if, when the order of the day is read at the table, no motion is made for the second reading or other stage of a bill, or for its postponement, it becomes a dropped order, and does not appear again upon the notice paper, unless another day is appointed for its consideration.

The facts are exactly on point, because as is indicated at page 5083 of *Hansard*, the order was very clearly read. The hon. member then had the choice of proceeding with second reading or requesting postponement of this particular bill, and it is very clear that he had to make his choice at that specific moment.

The fact that the hon. member chose to raise a point of order when there was no provision for this indicates, I think, that he chose to treat it as a dropped order, since the only choice presented to him was to make the motion, which he chose not to do, or make a motion for postponement.

The rule is very clear; the onus is on the hon. member to take some specific form of action. By not taking any of the forms of action indicated in the rules I suggest he is estopped from proceeding. The effect is that the bill then becomes a dropped order, as I suggest it rightly is now.

Mr. Howard: Mr. Speaker, in reply to what the hon. member for Peel (Mr. Pallett) in particular said, and those other hon. members who put forward this facetious reasoning, I would draw to Your Honour's attention *Votes and Proceedings* for Friday, April 21, page 463—

Mr. Drysdale: Mr. Speaker, I am rising on a question of privilege.

Mr. Speaker: Order. Is the hon. member rising on a question of privilege?

Mr. Drysdale: Yes, Mr. Speaker. I object to the reference of the hon. member for Skeena (Mr. Howard) that this is a facetious question, because the matter is one of great importance. Although the hon. member may view it in a facetious fashion, it is extremely important to hon. members following him whether or not their bills will be discussed.

Mr. Speaker: The imputation is not serious enough to raise a question of privilege.

Mr. Howard: Mr. Speaker, I think it is obvious to all what is happening. May I draw Your Honour's attention to *Votes and Proceedings* for Friday, April 21, page 463 which says that at five o'clock public and private bills were called pursuant to standing order 15. Then it says:

> On the order being read for the second reading of Bill C-20, an act to amend the Small Loans Act, the honourable member for Assiniboia (Mr. Argue) requested that the said order be allowed to stand, and raised a point of order to the effect—

Then it sets out certain things and says there was a ruling by Mr. Deputy Speaker which was subsequently appealed to the house and the house decided a certain way. Then after disposition of the point of order, it says:

Accordingly, Mr. Argue, seconded by Mr. Regier, moved,—

—second reading of the bill.

Mr. Churchill: Mr. Speaker, I consider this matter to be of such importance that the house should give serious attention to it, because the ruling Your Honour will make will stand as a precedent for a very considerable time, if not forever. We are faced here with a suggested reversal of long established practice.

The hon. members who have preceded me have read our own rule in the house. They have quoted from Beauchesne. I should like to refer to the other references so that we have on record a clear picture of what has been the practice of the house, the rules and the comments on the rules over the years with regard to dropped motions or dropped orders.

Bourinot's Parliamentary Procedure, fourth edition, page 221, contains very much the same wording that we have in our rule. The complete citation is page 221, section XII, subsection 2 of rule 32 of that day, and it reads:

Orders not proceeded with when called, upon the like request, may be allowed to stand retaining their precedence; otherwise they shall be dropped and be placed on the order paper for the next sitting after those of the same class at a similar stage.

Obviously, sir, this has been the long established practice of the House of Commons because the third edition of Beauchesne dates back to 1903 and I suppose the fourth edition is a repetition of that.

I should also like to draw Your Honour's attention to the reference in Beauchesne, fourth edition, page 81 which was read by the hon. member for Vancouver-Kingsway (Mr. Browne); but there is an additional sentence there which is interesting. The hon. member read as follows, and this is page 81, citation 87, subsection 4:

It is one of the fundamental principles of parliamentary procedure that when nothing is done respecting an order of business it is struck out and cannot make further progress until the procedure regulating its passage has been regulated by the house.

I suggest, sir, that this order of business having been called, or read out, and nothing having been done with it, according to our rules and the practice of the house it was then automatically struck out. Beauchesne goes on to say:

Neither the Speaker nor any officer of the house have the power to move it forward.

I suggest, sir, that this order should have been struck out, dropped entirely or placed at the bottom of the list. Then the onus would have been on the hon. member for Skeena (Mr. Howard) to draw to Your Honour's attention whether or not that was established practice and whether it should have been dropped. But no officer of the house should have placed on the order paper in the position in which it appears, an order that had been read out and which had not been proceeded with. It should have been struck out or dropped, and it seems to me that the action taken exceeded the authority which is permitted according to the sentence which I have read from Beauchesne.

Then, in times of doubt concerning matters of rules and procedure we look to May, and the sixteenth edition of May at page 392 has a further comment to make with regard to dropped orders and indicates, of course, that they may be revived. May I point out in passing that although we suggested this order should have been dropped or placed at the bottom of the list, this does not mean further discussion on it is prohibited at a later date; it is not being thrown out entirely, because it can be revived by the hon. member. There is no prohibition involved in this at all. It is just a question of the order of precedence. May, at page 392, has this to say:

When an order of the day has been read, the proceedings thereon may be cut short by the adjournment of the house whilst those proceedings are in course of transaction. An order of the day, in such cases, or if, when the order is read, no day is appointed for its future consideration, drops off the notice paper, as the house has made no order thereon.

I suggest to you, sir, that the house was unable to take any action with regard to second reading of Bill No. C-30 because of the intervention of the proposer of the bill, at his own desire, in order, as we see it, to prevent consideration of the measure. According to the rules we have quoted to you and the citations we have placed on record in *Hansard* this particular order should not now be standing at the head of the order paper. The opportunity was available for the proposer to move it. He did not take that opportunity. Therefore, the house took no action with regard to it and the order is a dropped order and should not stand where it now stands.

Mr. Speaker: The question before the Chair is one of considerable interest and importance and one to which I have given a good deal of thought in the interval since it was raised. I think certain principles are clear enough but I have one difficulty which I have not been able to resolve, and perhaps if I set out my views on the position of the

order for second reading of Bill No. C-30 I may be able to get some assistance on that doubtful point.

When an order such as this order of the house for a second reading of a bill is read by the Clerk, as was done in this case, the matter is not before the house for discussion until the motion has been moved. The motion must be taken up. After the order is read, various things may happen and most of the contingencies are provided for in our standing order No. 19. If the order is not proceeded with it is dropped under paragraph 2 of standing order 19 and it is argued that that is the applicable clause in the circumstances we now have under consideration. If the order is not disposed of, then paragraph 3 applies, and paragraph 3 of standing order 19 says:

> All orders not disposed of at the adjournment of the house shall be postponed until the next sitting day, without a motion to that effect.

In fact, this matter was not disposed of—whether rightly or wrongly is a matter still to be determined. But if hon. members will turn to *Hansard* for the report of the debate in question the facts will be clear enough. The order was read by the clerk assistant, and the hon. member in whose name the order stood was then given the floor for the purpose of moving his motion. A motion can be put before the house either by being read from the chair, which is the customary practice—I suppose, to save time—or it can be moved by the hon. member in whose name it stands before it is read from the chair. The hon. member was given the floor for that purpose. I do not need to repeat what transpired, because it is set out in full at page 5083. The hon. member first suggested that it was six o'clock. It was not, in fact, six o'clock and the house did not concur in his request that it be called six o'clock. Then, without apparently relinquishing the floor or without any intervening action, he said, "Then I should like to raise a point of order".

It has been argued, and I think, correctly by the hon. member for Burnaby-Richmond (Mr. Drysdale) that a member should not rise on a point of order in order to deter or impede the progress of his own motion. In other words, he cannot raise a point of order against himself. I think that is a sound principle. It is certainly sound in forensic practice—a man cannot both approbate and reprobate if he is moving a motion. He cannot say, at the same time: "I am out of order in moving, but I move." That is what the hon. member, in effect, did. I accept that argument—the argument that it is not open to a member of the house who has the floor for the purpose of moving a motion or carrying on some proceeding in his name, or making a speech, to make a point of order against his own progress in that manner. Having got thus far, I am up against the difficulty that, in fact, the hon. member's point of order was entertained instead of being rejected at that time, as I suggest it could have been rejected. And it was being entertained when the sitting came to a conclusion at six o'clock. Therefore, the question which is unresolved by the argument so far is this: assuming that what has been said is correct and that the duty of the hon. members was either to decline to proceed, or to proceed, or to move the postponement, or to take whatever other course was open to him, what is the position when as I have said he took a course which was not open to him, to raise a point of order against himself? As I have said, the hon. member did in fact proceed to speak without a motion having been made. He was heard, and six o'clock intervened. That is the way the order paper stood when the clerks had the duty of preparing the order paper for the next day. If the point had been taken at the time when the hon. member for Skeena had the floor for the sole purpose of moving his motion or asking that it should stand, and for no other purpose, then this difficulty about the subsequent order paper would not have arisen. Or, if the time had been sufficient for the nature of the point of order, which, appears to have no substance, to have been determined, it would then have been necessary to move second reading, and the hon. member would then have been under the obligation of moving, or allowing his motion to drop.

However, time intervened while this irregular discussion was proceeding and the question now is whether that intervention of time saves the place of this motion on the order paper. That is the difficult point which is involved; whether the point of order, having been in fact entertained, and the time having lapsed, allows the hon. member to escape the consequences of the irregularity of his course. In fact the order was read, but had not been disposed of, and subsection 3 of standing order 19 states positively that all orders not disposed of at the adjournment of the house, shall be postponed to the next sitting day without a motion to that effect. Should I interfere with the order as it stands today on the order paper? To do so I should have to cancel all that which was done on the last day, and I do not think hon. members would expect me to take that course.

I should like to present one other point of view before disposing of the matter, and then ask for the opinions of hon. members regarding the difficulty involved.

I am satisfied that when an order is read, it is not before the house, until the motion

has been moved. Beauchesne says, in citation No. 380, to which the hon. member for Vancouver-Kingsway (Mr. Browne) referred, that when a bill comes up for second reading in its proper course, and one of the clerks at the table reads the order aloud, the member in charge of the measure will then move its second reading. I accept that as a correct statement of normal practice. Similarly, I accept as a statement of normal practice that which is contained in citation 385;

> If, when the order of the day is read at the table, no motion be made for the second reading, or other stage of the bill, or for its postponement, it becomes a dropped order.

However, I point this situation out for hon. members' consideration: After an order is read there may be an intervening procedure before a motion is made. It is within the rights of any member of the house, other than the member whose duty it is to move the motion, to raise a point of order. For instance, the point of order which we are considering now could well be taken after the reading of an order but before the consequent motion; in other words, the point that the order of the day is not properly on the order paper. The point of order arises as soon as the order is read, and before the motion is proceeded with.

As another instance, a point of order might well be taken under standing order 74, that the bill was not printed in both English and French and therefore could not yet be read the second time. This point of order could well be taken after the Clerk had read the order at the table, but before the motion had been put. If such a point of order was taken, it would then have to be discussed. The discussion would then have intervened and prolonged the time during which the mover of the second reading of the bill must move his motion, or decide not to proceed with it. In fact, that is what did happen in respect of this particular bill, C-30. I have said it could happen, and it did happen.

The difficulty involved is, that what did intervene was something which should not have been allowed to intervene. It having been allowed to intervene, I do not intend, unless hon. members can persuade me otherwise, to alter the effect of the rule as contained in subsection 3 of standing order 19, which would allow the order to keep its place on the order paper.

If any hon. member has any suggestion to contribute to this aspect of the problem, with which I am faced, and before I dispose of the matter, I should like to hear him.

Mr. H. F. Jones (Parliamentary Secretary to the Minister of Veterans Affairs): Mr. Speaker, it is a maxim of equity that he who seeks justice must do justice. I suggest that has a pertinent effect in respect of this particular point, because the point of order is a bogus one, and was raised by the hon. member who was called upon to move the particular bill. The meaning of that maxim surely must be that if a person wishes to rely on the rules, in order to advance his cause, he must, in the terms of that phrase, do justice himself. The corollary of that is that he is estopped from relying on the technicality of a point of order if he raises the point of order himself.

In regard to the question as to whether the point of order had been entertained, I do not think the house can properly be seized with a bogus point of order, particularly one raised by the hon. member who was moving the motion. I suggest, therefore, that the point of order which was raised has no effect at all, and the situation is simply as though the passage of time had lapsed, and it was not possible for the Speaker in the time that intervened to make a ruling in respect of it.

Your Honour mentioned another course during your remarks, as to whether any hon. member had objected to the member raising this point of order. It will be noted that at page 5083 of *Hansard* for May 19, 1961 it is recorded right after the hon. member for Skeena (Mr. Howard) said "Then I should like to raise a point of order," that an hon. member said "The order has been called". I suggest, in view of that, it was impossible or improper for the hon. member for Skeena to raise a point of order against himself.

Returning again to the original point—he who seeks justice must do justice—I suggest in procedural terms, this means that if one seeks to rely on the procedures of this house, or of the courts, one must not offend those procedures one seeks to invoke to support his cause. I suggest that is exactly what the hon. member has sought to do by talking out, in effect, his own bill.

Mr. Drysdale: Mr. Speaker, I should like to make two brief comments. First of all, when the hon. member for Skeena rose to the point of order, it would have been impossible for any other member to rise on another point of order, because he would not be recognized. I suggest, therefore, this is the first opportunity we have had to do so.

The second point I should like to mention is that the hon. member for Skeena referred to the procedure followed on April 21 in respect to Bill No. C-20 amending the Small Loans Act. He suggested the procedure followed at that time was very similar to the present situation, in that when this bill was called for second reading the hon. member for Assiniboia (Mr. Argue) the mover of the

bill, said "Stand." The hon. member for Assiniboia, the leader of the party of which the hon. member for Skeena is a member, obviously had in mind very properly standing order 19 (2), which states that orders may be allowed to stand; but the point that is indicated very clearly—and the hon. member for Skeena gave this particular citation—is that the hon. member for Assiniboia realized that when the orders were called he had to take some sort of positive action. He had to request that the order be stood over, proceed with the motion for second reading or allow it to become a dropped order.

I suggest that by doing nothing the hon. member for Skeena has permitted his order to become a dropped order. The fact that he raised this point of order and that it was impossible for other members to intervene I suggest would have no effect on the ruling, Mr. Speaker. Your clear decision is to point out to the hon. member that he should have acted as soon as the order was called. Then, if he wished to raise a point of order, that was the time to do it. Since he chose to take no stand I would suggest that it became a dropped order, and that is the way it should stand now.

Mr. Howard: I raise another point which was not developed in the original discussion.

Mr. Churchill: On a point of order, Mr. Speaker; I understand you have given your ruling. Now the hon. member for Skeena is going to compound his error of last week by speaking to a point of order and thus prevent the moving of his own motion.

Mr. Speaker: No.

Mr. Howard: Surely, that is not so, Mr. Speaker.

Mr. Speaker: We have been speaking to the point raised with respect to his action and I think he is entitled to say something. However, I think I have heard ample to permit me to dispose of the matter.

Mr. Howard: May I be permitted—

Mr. Speaker: I would not like this hour to expire without this matter being disposed of. It is an important matter and it points up the necessity of following the rules of the house at all times. There is no question that when the order was called, notwithstanding there were only a few minutes left, it was the duty of the hon. member to move his motion, if he wished to proceed with it, or allow it to stand. However, he did intervene and—

Mr. Howard: May I speak on the point of order now?

[Mr. Drysdale.]

Mr. McIlraith: No.

Mr. Speaker: I have had ample assistance on the point.

Mr. Howard: Have I not the right to speak on the point of order?

Mr. Speaker: If the hon. member will refer to the rules he will find that the Speaker may permit such debate on a point of order as he sees fit. I have come to the conclusion that as the hon. member used improperly the opportunity given to him to move his motion, to raise a point of order against his own progress in the matter, and as it was permitted at the time, I cannot correct it now. The effect of that is that the order for second reading now comes before the house. It has been read from the table; it has not been put to the house in the usual way by my declaring that the motion has been made and seconded, and opening the debate, nor has it been stood. In the circumstances, I think I must do that now unless any hon. members wish to take the course which is open to them with respect to my disposition with regard to this rather difficult point of order. It has served a purpose. At least it emphasizes the need for proceeding in accordance with the rules at all times and not to allow irregular proceedings to intervene and take an improper advantage. I therefore find that the order paper is correct, and the order having been read today I call on the hon. member for Skeena to propose his motion.

Mr. Howard: I raise a question of privilege. Surely the rights of myself and the privileges of this house have been abused by hon. members opposite in having ample opportunity to express points of view, some of which reflect upon me—

Mr. Speaker: The hon. member has allowed me to intervene, and it is too late to raise the question now. Unless he moves his motion it will be dropped.

Mr. Howard: Then, Mr. Speaker, at your suggestion it will be dropped.

Mr. Speaker: Then the order is dropped.

Order dropped.

Mr. Howard: This is an arrogant government if there ever was one.

Mr. Speaker: Order.

FINANCE

PROVISION FOR PRINTING OF NEGOTIABLE INSTRUMENTS IN BOTH ENGLISH AND FRENCH

On the order:

Second reading of Bill C-31, an act respecting the printing of negotiable instruments in the English and the French languages.—Mr. Pigeon.

Mr. Churchill: I am prepared to call it six o'clock at this stage.

Some hon. Members: No.

Mr. Peters: Proceed.

Mr. Speaker: Order. In the absence of the hon. member for Joliette-l'Assomption-Montcalm—

Some hon. Members: Dropped.

Mr. Speaker: Order dropped.

Order dropped.

CRIMINAL CODE

AMENDMENT WITH RESPECT TO WATER POLLUTION

On the order:

Second reading of Bill C-32, an act to amend the Criminal Code (nuisance).—Mr. Herridge.

Mr. Herridge: May I call it six o'clock, Mr. Speaker?

Mr. Speaker: May the hon. member call it six o'clock?

Some hon. Members: No.

Mr. Speaker: The hon. member is on the horns of a dilemma. He must proceed or drop the matter.

Mr. Habel: On a point of order, two clocks say six o'clock and a third says that it is a couple of minutes to six. All the clocks in the house should show the same time.

Mr. Speaker: I think the hon. member has a point of order. If two clocks say it is six o'clock and the other one does not, which one is the official clock? Is the house prepared to agree that it is six o'clock?

Some hon. Members: Agreed.

BUSINESS OF THE HOUSE

Mr. Hellyer: Will the house leader indicate the business for tomorrow?

Mr. Churchill: We shall carry on with the estimates of the Department of Justice and of the Department of Mines and Technical Surveys.

Mr. Hellyer: Will the house leader indicate the proposed business for the first two days of next week?

Mr. Churchill: Sometimes there is not much advantage in doing this, Mr. Speaker, but I will concede the point tonight and announce that on Monday and Tuesday we shall be taking legislation. The first item that will be considered is Bill No. C-92, to amend the Criminal Code.

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

HOUSE OF COMMONS

Saturday, May 27, 1961

The house met at 11 a.m.

RAILWAYS, AIR LINES AND SHIPPING

PERSONNEL OF SESSIONAL COMMITTEE ON RAILWAYS, AIR LINES AND SHIPPING OWNED AND CONTROLLED BY THE GOVERNMENT

Mr. John Pallett (Peel) moved:

Thart the sessional committee on railways, air lines and shipping appointed May 15, 1961, be composed of Messrs. Badanai, Brassard (Lapointe), Broome, Browne (Vancouver-Kingsway), Campeau, Carter, Chevrier, Chown, Creaghan, Granger, Grills, Howe, Horner (Jasper-Edson), Kennedy, McDonald (Hamilton South), McFarlane, McPhillips, McWilliams, Mitchell, Monteith (Verdun), Pascoe, Robinson, Rowe, Smallwood, Smith (Simcoe North) and Winch.

Motion agreed to.

ADMINISTRATION OF JUSTICE

TOMASZ BIERNACKI—REARRAIGNMENT ON PREFERRED INDICTMENT

On the orders of the day:

Hon. Paul Hellyer (Trinity): I wish to direct a question to the Minister of Justice. In view of the unusual situation involved, will the minister give the house a report in respect to the rearraignment of Mr. Tomasz Biernacki after his release by a Montreal judge?

Hon. E. D. Fulton (Minister of Justice): This matter is before the courts and I do not think there is anything I can properly say with regard to it. A preferred indictment was authorized by the attorney general of Quebec, and the matter is now before the courts. Perhaps I should and could properly say, in supplement of my answer that the issues involved in the case referred to are in our view far too important and, in some respects, new, not to take every proper step to have them determined by at least a superior court.

Mr. Hellyer: Notwithstanding the grave implications in the answer the minister has just given us, can he assure the house that the procedure being followed is in accordance with the law of the land?

Mr. Fulton: Yes sir; absolutely. While I do not think there is any precedent for this actual case, there is a clear precedent for the same situation in the United Kingdom. The law of Canada provides for the bringing in of a preferred indictment as has been done here.

POWER

BRITISH COLUMBIA—DISCUSSIONS RESPECTING EXPORT OF POWER

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. Will the minister inform the house whether during his recent visit to Trail he had discussions with senior officials of the West Kootenay Power and Light Company, or with senior officials of the Consolidated Mining and Smelting Company, or with Mr. Douglas McMynn, president of the association of chambers of commerce of eastern British Columbia, who is also a senior official of the West Kootenay Light and Power Company, with respect to the export of power?

Hon. Howard C. Green (Secretary of State for External Affairs): I had no such discussions, Mr. Speaker.

LABOUR CONDITIONS

OTTAWA—EFFECT OF CHANGE IN PHOTOGRAPHIC POLICY OF "CITIZEN"

On the orders of the day:

Mr. Frank Howard (Skeena): I wonder if I could address a question to the Minister of Labour and ask him whether he has any information with respect to the number of Canadians who will be out of work as a result of the impending action on June 5, when the Ottawa *Citizen*, belonging to the Southam newspaper chain, begins a contract for all its photography with a foreign press service, namely United Press International.

Mr. Speaker: I do not know whether the hon. member has given notice of the question, but it relates to some event in private business which is not the responsibility of the administration, although the hon. member appeared to relate it to ministerial responsibility by asking the minister if he knew how many men would be out of work. I think if this does come within the responsibility of the administration in any way the question ought to go on the order paper.

Inquiries of the Ministry

INDUSTRY

AGRICULTURAL IMPLEMENTS—REPRESENTATIONS BY AUTOMOBILE WORKERS UNION

On the orders of the day:

Hon. Paul Martin (Essex East): May I ask the Prime Minister if he and the government will reconsider the decision not to meet representatives of the united automobile workers who have been in touch with the Prime Minister's office regarding representations which they wish to make concerning the agricultural implement industry?

Right Hon. J. G. Diefenbaker (Prime Minister): I will take the question as notice.

GRAIN

QUEBEC—REPORTED PROTEST AS TO TRANSPORTATION COST

On the orders of the day:

Right Hon. J. G. Diefenbaker (Prime Minister): Perhaps I might take this opportunity to reply to a question which was asked yesterday by the hon. member for Labelle. His question, as reported on page 5405 of *Hansard*, was as follows:

> Has the Prime Minister received a telegram from the Saguenay catholic union of farmers seeking to remedy the situation whereby farmers in the Saguenay district have to pay $10 to $20 more than western farmers for the transportation of grain in their area? Is any action by the government contemplated in order to correct this situation?

I did receive the telegram in question, which was referred to the office of the Minister of Agriculture. Representations were also received from the hon. member for Lake St. John in this connection. A brief prepared by the organization in question was brought to the attention of the government.

My information is that an active study is being made in regard to the whole question of the movement of feed grains into British Columbia, the central provinces and the Atlantic provinces. When policy is decided upon in this regard it will be announced in the usual manner.

PUBLICATIONS

INQUIRY AS TO REPORT OF ROYAL COMMISSION

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister, having regard to statements made earlier this week, whether he has yet received the report of the royal commission headed by Mr. Grattan O'Leary.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I have received a copy of that report.

[Mr. Speaker.]

HEALTH AND WELFARE

ROYAL COMMISSION—INQUIRY AS TO PERSONNEL

On the orders of the day:

Hon. Paul Martin (Essex East): Mr. Speaker, I should like to ask the Prime Minister another question arising out of an answer he gave to a question I asked some weeks ago, in which he stated that he hoped very, very, very soon to appoint the remaining members of the royal commission inquiring into the matter of medical care insurance.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I can assure the hon. gentleman that the answer I gave was well justified, and that the appointments will be made very shortly. I hope to be in a position to inform this house of those appointments within a few days.

TRADE

FLOUR—INQUIRY AS TO MILLING CAPACITY TO FILL CHINESE CONTRACT

On the orders of the day:

Hon. Paul Hellyer (Trinity): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Could the minister say whether Canadian owned flour milling companies have sufficient excess capacity to mill the grain for the Chinese government in respect of which he has made commitments in recent contracts?

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, I should say the answer to that question is yes.

Mr. Hellyer: Mr. Speaker, I should like to ask a supplementary question. Can the minister say whether Canadian companies which are subsidiaries of United States owned companies require permits from the United States government to do this work for the Chinese government, as reported in the Toronto *Daily Star* of last night?

Mr. Hamilton (Qu'Appelle): Mr. Speaker, I suggest this is no concern of ours. We have simply provided this market to the flour mill companies, and they must take the necessary action. I am not quite clear about what the hon. member is referring to, as I have not seen a copy of the Toronto *Daily Star*.

(Translation):

CANADIAN NATIONAL RAILWAYS

QUEBEC—INQUIRY AS TO BILINGUAL TRAINING PERSONNEL

On the orders of the day:

Mr. Vincent Brassard (Chicoutimi): Mr. Speaker, I should like to put a question to the Minister of Transport or, in his absence,

the acting minister. Could the minister tell me how many instructors among the six recently appointed to train the operating personnel of the C.N.R. passenger service in the province of Quebec are able to speak both English and French?

Hon. George H. Hees (Minister of Trade and Commerce): Mr. Speaker, I shall take the question as notice and the Minister of Transport will answer it Monday.

Mr. Brassard: A supplementary question, Mr. Speaker. If the minister were told that five of the six instructors are unable to speak French, would he take up the matter with the Canadian National Railways to correct such a situation?

(Text):

SUPPLY

The house in committee of supply, Mr. Flynn in the chair.

DEPARTMENT OF JUSTICE

165. Departmental administration including annual contribution of $200 to the conference of commissioners on uniformity of legislation in Canada and $167,500 as grants to recognized private after-care agencies as may be approved by treasury board, $1,194,583.

(Translation):

Mr. Meunier: Mr. Chairman, at this stage in the study of the estimates of the Department of Justice, I should like to direct a few remarks to the Minister of Justice (Mr. Fulton) with regard to an act which is of concern to his department. I refer to the Bankruptcy Act.

Much is being said in the newspapers about the administration of that act, which has been in force since July 1, 1950, a period of 11 years.

Much is made of fraudulent bankruptcies. Representations have been made by all kinds of organizations, including the Canadian lumber association, with the support of the national retail lumbermen and the provincial wholesale association, in May 1961.

Those businessmen complain about various provisions of the Bankruptcy Act. They claim that transfers which are made within three months before a bankruptcy, and which are valid, should be extended over a period of two years. Others feel that no one should be allowed to go into bankruptcy unless indebted to an amount of at least $3,000.

Mr. Chairman, I feel the act should be improved. In fact, the time has come to refer it to a committee of the house for consideration and for necessary admendments. However, if some amendments cannot be submitted to a committee before some time, it would certainly be possible to improve it in the meantime.

The situation is this. There are many complaints about fraudulent bankruptcies. There is no doubt some bankruptcies are fraudulent, and in that regard, the Canadian Bar Association, at a meeting held last winter in Quebec city, made certain recommendations to the Minister of Justice.

Mr. Chairman, I do not want to protect the people who resort to fraudulent bankruptcies, and I suggest that to prevent such things, we should apply tighter controls in such cases.

What happens today is that some trustees go into remote districts where they consult credit agencies and suggest to the debtors that they file a petition for bankruptcy. The bankruptcy is not, in such cases, registered in the place of domicile of the bankrupt, but in the larger centres such as Montreal and Quebec, with the result that the creditors are not interested. If they are appointed as inspectors, they do not attend meetings because they live too far away from the place where the bankruptcy was registered. Then the goods described in the bankruptcy are carried away and sold elsewhere at ridiculous prices. The result is that the creditors get very little out of such sales.

I feel that if the act were amended in such a way as to force the bankrupt to register his assignment of property at his place of domicile, a great deal of fraud would be avoided.

Now, the Canadian Bar Association has also made a very useful suggestion, namely that:

> An assistant superintendent of bankruptcy be appointed for each province to follow the procedures more closely and to ensure that assets be converted to the advantage of the creditors.

We must admit that the superintendent of bankruptcy, whose office is in Ottawa, is much too far from the places where bankruptcy petitions are filed.

The appointment of an assistant superintendent for the province of Quebec would already be an improvement.

But we should not mention only the person who is bankrupt; there are also voracious creditors who are always in a hurry and who could just "eat up" the debtor.

I have here a brief submitted by the credit granters' association of Canada where it is requested that the chapter of the Bankruptcy

Act dealing with small debtors whose debts do not amount to much, be amended especially as far as summary administration is concerned.

I would not state this categorically, but I am quite sure that unscrupulous finance companies are sponsoring the amendment proposed by the association.

Recently creditors have sold all kinds of furniture to businessmen in the Montreal district. They are in a hurry to file a bankruptcy petition.

Now, we know that under the Bankruptcy Act no petition may be withdrawn without leave of the court.

As I was saying, there are at present in the Montreal district a certain number of bankruptcy petitions. Every week someone comes before the court to ask that a petition be withdrawn. In other words, the Bankruptcy Act is being used to collect debts.

Now, before we scratch out the chapter on summary administration, I feel we should get rid of that epidemic of salesmen.

I will give you a few examples, for instance, that of the knitting machine salesmen. The Minister of Justice must certainly be aware of the case since the knitting machine industry has moved from Montreal to Vancouver to continue its highly suspicious work.

Here is how those people operated. They would sell a knitting machine for $400, give knitting lessons to the purchaser and undertake to buy any article the latter knitted. One fine day, the purchaser would find out that the salesmen had disappeared into thin air.

Before they left, however, they had been very careful to sell their sale contract to finance companies which undertook to collect any balance owing.

What could those unfortunate debtors do except file a petition in bankruptcy triggered by unscrupulous people?

There has been another racket involving salesmen of machines to manufacture milk powder. It was being carried on mostly in the province of Quebec. After they had made a sale the salesmen undertook to buy the milk powder. In the meantime they transferred the note to a finance company to look after the collection, and they dropped out of sight.

Finance companies are frantic. Most of them are loan shark outfits fattening on refunds paid out weekly by labourers. If 200 or 300 labourers have contracted to make those weekly payments, just multiply that figure by $5, and you will see that these companies are doing pretty well.

I am not prepared to admit, like the granter's association, that the whole chapter on summary administration should be removed from the Bankruptcy Act, because we must get rid of those unscrupulous and greedy creditors.

Those are the only remarks I wanted to make. I hope that the minister will take them into consideration.

I hope too that he will not be content to listen to the grievances of large companies but will also heed representations of low wage earners, who are fairly often the victims of unscrupulous operators.

I should like now to deal with another matter, this one of current interest which was raised yesterday in Montreal. It is about the right of a defendant to be tried and heard in his own language.

Of course, I should not make a plea in favour of the individual in question, Pierre Biernacki, who is now before the court.

However, it seems to me that the R.C.M.P. did behave in a despicable way towards the accused. They knew that he could speak and understand French better than English. Yet he was charged and examined in English and directed to make confessions in that language.

Justice Lazure, whose efficiency and integrity are well known, admonished the R.C.M.P. yesterday, stating that it is the right of an accused to be tried by his fellowmen in the language of his choice.

I hope the minister will make a few comments on the matter after having seen this morning's papers.

I feel I must add that there are many French speaking R.C.M.P. officers in Montreal, as there are no doubt in the rest of the country.

We should see to it that such a situation does not happen again, even though the accused is a national of another country.

(Text):

Mr. Fulton: Mr. Chairman, may I ask the hon. member to what case he is referring?

Mr. Meunier: The case referred to this morning.

Mr. Fulton: Mr. Chairman, with respect to this case I would say immediately that the case is now before the courts and therefore comment must be restricted. With respect to the matter of interpreters, my recollection is that I have been advised that Mr. Biernacki was asked several times if he wished to have an interpreter or the services of an interpreter and he indicated that he did not desire an interpreter, that he understood fully what he was being asked and did not wish to have the whole thing done through an interpreter. That is my recollection of the situation, but I will have more

information on that when we come to the R.C.M.P. estimates if my friend wishes to pursue the subject then.

(Translation):

Mr. Meunier: Even if Mr. Biernacki was provided with an interpreter, I was told that he is more fluent in French than in English, having started learning English only after he came to Canada.

It seems to me, Mr. Chairman, that at least the bills of indictment could have been made out in French and that his admissions could have been taken down in French, since that is the language he talks best. I feel it would have been the natural thing to do.

Mr. Johnson: Mr. Chairman, I should like to ask the hon. member for Papineau a question based on his remarks.

He raised the matter of summary administration, suggesting that this procedure too often favoured the activities of loan sharks at the detriment of low wage earners.

Would the hon. member tell us if he is in favour of abolishing assignment and summary administration in so far as it brings us back to assignment of property as contained in the civil code of the province of Quebec?

At the same time, could he tell me whether, in his opinion, judges are not overly given to the practice which consists in letting debtors go free after six months when they have sought protection under the procedure known as summary administration or assignment of property, in cases where trustees take the initiative of preparing such summary administration or such assignment and ask that the debtor be allowed his freedom at the end of six months, where the sums involved are not very large and where creditors dare not oppose the move because the expense would be too high?

Mr. Meunier: The hon. member's question is quite long. I take it he does not favour deletion of the chapter on summary administration from the Bankruptcy Act.

My remarks had to do with the Bankruptcy Act in general and the chapter on summary administration in particular.

I also said that we should not always listen to grievances put forward by large finance companies, associations and societies, but also take into consideration the poor and the lowly.

(Text):

Mr. Peters: Mr. Chairman, I have a couple of problems to raise with the minister, but before doing so let me say this. I am not a lawyer and have no legal training. I did, however, check with the constitutional lawyer concerning the responsibilities of the Minister of Justice in his capacity as Attorney General of Canada to give legal advice to all departments of government in relation to changes in legislation. The minister's responsibilities include some of the duties which I thought were his, and his role as Attorney General of Canada is not as barren of responsibility as some hon. members may believe. I refer, of course, to the dual role of the minister and the degree of dexterity that is demanded of him in performing two separate functions simultaneously.

I wish to refer to the case of a Riceville farmer, Gerald Rowe, against whom action was taken some time ago under the provisions of the Live Stock Pedigree Act. On a number of occasions the minister has been asked to grant a new trial or to take other action in his capacity as Attorney General of Canada.

I will quote briefly from an editorial published in the Glengarry *News*. The first portion of the editorial refers to the bill of rights and may not be relevant to this case. The editorial reads in part as follows:

> Equality before the law and the protection of the law were the chief aims of Magna Carta back in 1215 when men who felt oppressed struck for freedom of the individual, no matter his station in society.
>
> These individual rights must be guarded by each of us, we were thinking last week end after a talk with a Riceville farmer who for six years has been fighting to have what he considers an injustice against his person redressed. Periodically through those years Gerald Rowe, of Riceville, has been in to tell us of his troubles and his efforts to have what he considers a wrongful court conviction corrected.

I think all hon. members of the committee are familiar with the details of this case, which are set out in the editorial. A later paragraph reads:

> He has spent thousands of dollars since seeking evidence that would refute the testimony offered against him at the trial. He has had a lengthy brief prepared by a lawyer and it purports to show evidence against him was not well founded. Mr. Rowe has approached Prime Minister Diefenbaker, Premier Frost, justice Minister Fulton, Ontario chief justice Dana Porter and many other public figures in an endeavour to have his case reopened. All his efforts have proved fertile—

Some hon. Members: Oh, oh.

Mr. Peters: I am sorry; the word is "futile". I continue:

> Mr. Rowe is convinced that the legal profession in Ontario has closed ranks against him. His lawyer was paid a retainer to appeal the conviction, he declares, and let the time for appeal elapse without taking necessary action. According to Mr. Rowe he has since contacted a number of solicitors who, for reasons unknown, failed to take proper steps in the case. The law society of upper Canada promised him an inquiry, he says; but nothing has come of it.
>
> This is the feature of the Rowe case we like least. Here is a man who must be convinced he

has been treated unjustly by the law, else why would he be still striving six years later to clear his name. And in his efforts—

The Chairman: Order. I do not see how the hon. member can relate the case he is talking about to the estimates of the Department of Justice. As I indicated yesterday, the administration of justice is a matter of provincial jurisdiction.

Mr. Peters: This is the point; what Your Honour has said is not quite true. The administration of justice does fall within the jurisdiction of the Minister of Justice, I am advised by constitutional lawyers. On the point of order Your Honour has raised I wish to read a letter written to the minister by my leader's executive assistant under date of November 15, 1960, the relevant portions of which are as follows:

Mr. Rowe's case appears to be unusual since his desire to appeal his case seems to have been subverted by the action or lack of action of his own solicitors. Now, as you have pointed out, your power under section 596 of the Criminal Code is insufficient to allow you to order a new trial in this case.

Could you not, therefore, consider bringing in an amendment to the Criminal Code which would allow you to grant a new trial to Mr. Rowe and to others like him who have been convicted on summary conviction?

The reply of the minister written in his capacity as Attorney General of Canada under date of November 29, 1960, is as follows:

Thank you for your letter of the 15th instant recommending an amendment to section 596 of the Criminal Code to include convictions in proceedings by way of summary conviction as well as by way of indictment.

The last paragraph reads:

While I am not satisfied that Mr. Rowe's case would, in itself, warrant such an amendment you may be assured that your suggestion will receive most serious consideration.

The Chairman: Order. I would permit the hon. member to discuss the proposed amendment, but certainly not to bring in a case that has nothing to do with the proposed amendment. That is the view I take of the situation.

Mr. Peters: Mr. Chairman, I had no intention of discussing the case. It is quite a lengthy case, and I had no intention of discussing it. I was only reading this editorial, which does not discuss the case itself but only the legal aspects of it and the fact that this gentleman cannot obtain a retrial. I should like to read the last portion of this editorial in the *Glengarry News*:

This is the feature of the Rowe case we like least. Here is a man who must be convinced he has been treated unjustly by the law, else why would he be still striving six years later to clear his name. And in his efforts for a new hearing over the years he has come to feel the legal profession has closed ranks to prevent any chance of a retrial. His feeling is that those involved now know they erred in convicting him, but that the legal profession and the courts prefer to cover up, rather than admit a mistake was made.

That is not a healthy belief for even one individual to hold in a society which proclaims the equality of all before the law.

We hold no brief for Mr. Rowe. We know nothing of the complexities of this case, but we have read his brief and we think the attorney general should study it again. Much better that the province incur the expense of a new trial rather than that one citizen be left with the conviction the law and the courts are set against justice being done.

What I am curious about, Mr. Chairman, is why the minister will not make this change which would allow an appeal to be heard. An appeal would be possible if this case had been proceeded with in any court other than a court of summary jurisdiction. I am told that if the case had been tried in any other court there would have been a much greater possibility of this man appealing his case.

The request has been made of the government within the last few weeks that there be a retrial in this case because new evidence can be produced and presented to the court. It seems to me all people should be given the opportunity to proceed through the due process of law in a manner which will obtain justice for them, and it seems to me the fact that a lawyer himself may have made a mistake should not prevent justice being given in any particular case.

Is it not within the power of the minister to allow this to be done? I have been told by those who are conversant with the law that the reason this course is followed is that otherwise litigation would be carried on over a period of years; you would never know when you had settled a case or whether you were ever going to settle it, if it could be reopened at any time. I have been told that there must be limits upon the time for appeal. However, in this particular case the crown was involved, and I should think even a person convicted of murder, or an offence which carried a sentence of life imprisonment should at any time during the course of that sentence be able to appeal for a new trial because new evidence had been produced.

The lawyer who prepared the brief is of the opinion that sufficient new evidence is available to warrant a reopening of the case, but under section 596 of the Criminal Code, which is the section covering this matter, at the present time the minister has not the right to reopen this case. It seems to me that some consideration could be given to changing the law itself, or this section of the Criminal Code, to allow those persons convicted in a court of summary jurisdiction, particularly in a case which affects the crown directly and where the crown is the only party involved, to proceed and either be proven guilty or have the case dismissed.

This case has also been taken to the remission branch. I have considerable correspondence that has taken place over the years where the remission branch has been involved. The farmer has been asked to go to the remission branch where he can appeal for a pardon. This is not satisfactory to the farmer, who does not want to be pardoned for something he feels he has not done. All he wants is what he considers to be justice. Farmers, like myself, not understanding the finer points of law, see no reason why they should not have the opportunity to prove their innocence. It should be noted in this case—as in many others, I presume—that the farmer knew he was not guilty and did not believe he had to prove that he was not guilty. He thought someone had to prove that he was guilty. It seems to me that he is now willing to prove he was not guilty because he found that he would be convicted if he was not willing to prove that in the first place.

I think the minister could give some consideration to at least clemency in those cases which he reviews himself and decides have some merit. I know the minister is not too sympathetic in this case. I know he had the R.C.M.P. throw this farmer out when he came to ask him to intervene in his case.

Mr. Fulton: That is a falsehood.

Mr. Peters: He had the gentleman taken to police headquarters and questioned for a considerable length of time. I know the minister may not be sympathetic. These people who visit members of parliament or ministers can become nuisances, there is no question about that; but I think we should be able to agree—

Mr. Fulton: Mr. Chairman, on a question of privilege, do I understand the hon. member to be alleging that I had somebody thrown out who came to see me? Is that the allegation the hon. member has made?

An hon. Member: That is what he said.

Mr. Fulton: If it is, sir, I give him the lie, complete and absolute.

Mr. McCleave: Shameful.

Mr. Peters: The minister says he did not and I have been told that he did—

Mr. McCleave: Withdraw.

Some hon. Members: Withdraw.

Mr. Smith (Simcoe North): You made that allegation.

Mr. Peters: I am only saying what I was told.

Mr. McCleave: Withdraw.

Mr. Peters: I have no intention of withdrawing something I was told.

Mr. Smith (Simcoe North): Then don't say it.

The Chairman: Order. The hon. member took the proper stand in the first instance, because he was asked to accept something that is within the personal knowledge of the minister. I think the hon. member should not change his mind because of some interjections.

Mr. Peters: I did not change my mind, Mr. Chairman. I have said this is what I was told, and that is a fact. The minister says it is not true. I accept his word for it, and therefore it is not true. But I still have been told it is, and I do not think I have to withdraw that.

There is another matter I should like to raise. It is something the same as the previous matter. I think it comes within the jurisdiction of the minister in that he administers the legal aspects of the act, chapter 15 of the revised statutes of Canada, 1952. This matter relates to negotiable instruments. In this case I ask the minister whether he will give consideration to changing the right of people to transfer negotiable instruments from one company to another, and the difficulties that arise from this practice.

I have a case in mind which happened in my own riding. A woman had bought one of these knitting machines. The machine was unsatisfactory; it was not as represented. Accordingly she sent the knitting machine back, but shortly afterwards she received a letter from a collection agency. It is headed "Without Prejudice" and reads as follows:

Re: Sentinel Credits—$330.00.

We enclose for your perusal a mimeographed copy of an article published in the Toronto *Daily Star*, February 2, 1961. Your position seems to be exactly the same as the defendant's in that case.

We have been assigned your promissory note. What you did with the merchandise after signing this promissory note is of no consequence to us.

We will accept weekly payments on the complete balance or a cash settlement on a reduced balance.

If you wish to prevent a costly court action (followed, after judgment, by a garnishee of your wages and/or bailiff action), contact this office immediately with your offer of settlement. We would like to help you save court costs and interest.

This letter is put out by the Sentinel collection agency, described as a division of the Sentinel Credit Corporation Limited, Toronto.

There are many things wrong with this letter. In particular it seems to imply that were the case to come before a court the decision could only be in favour of the collection agency, the defendant having to pay

costs and other legal expenses. The letter refers to an article which appeared in the Toronto *Daily Star* on February 2, 1961, and I should like to put this article on record. It is headed: "Knitting Machines—It Wouldn't Work, Must Pay Anyway."

A couple who claimed they didn't pay for a knitting machine they bought because "it was rusty, the needle was bent and it wouldn't work" has to pay for it anyway.

Judge H. W. Timmins ordered Mr. and Mrs. Dymitro Haluk of Windermere Ave., to pay $380 owing on the knitting machine to the Diamond Discount Corp. Ltd.

The finance company was suing the Haluks for that amount, claiming on February 10, 1957, the defendants had signed a promissory note in favour of the now defunct Trans-World Machine Co., Spadina Ave. for $360. The defendants never paid the note, now held by the finance company, the plaintiffs claimed.

The plaintiff company were asking the court for the $360 principal of the note, plus interest at 1 per cent a month from April 10, 1959.

Mrs. Jeannie Haluk told Judge Timmins she and her husband bought the machine after the Trans-World Machine Co. salesman told them they could knit socks and sweaters on it and the company would buy back the knitted products at 25 cents an ounce. She said when the machine arrived, it wasn't the one they ordered, that it never worked and even a teacher from the company couldn't make it work.

Mrs. Haluk said she and her husband finally returned the machine to the company.

I suggest to the Minister of Justice that we should take some action in Canada to protect people who buy merchandise and then find that the promissory note they signed has been transferred as a negotiable instrument to a second party which has no obligation to cover the warranty or extend any of the protection which would have been given, or should be given, if the note had remained in the hands of the first party. In other words, the sale of this note eliminated the rights of the buyer. I think some consideration should be given to changing the provisions which govern instruments of this type.

Mr. Baldwin: It may be late to raise a point of order, Mr. Chairman, but we have been listening to the hon. member discuss this question for some time, and surely it is essentially provincial in nature. It deals entirely with the rights of a holder of a negotiable instrument or a conditional sale agreement. This whole field is under provincial jurisdiction. It has nothing to do with the functions of this committee and, surely, nothing to do with the estimates of the Minister of Justice. It has no place in a discussion of these estimates.

Mr. Peters: On the point of order, I would think the Minister of Justice does have a responsibility in this field. I suggest it comes within the field covered by the Bills of Exchange Act—

[Mr. Peters.]

Mr. Fulton: Which comes under the jurisdiction of my colleague the Minister of Finance.

Mr. Peters: That is a statement with which I would agree—

Mr. Fulton: It is not relevant to my estimates.

Mr. Peters: If the minister say he has no administrative responsibility I must accept that, and I appreciate his position; but I would think that in his advice to his colleague the Minister of Finance—and giving advice of this kind must be part of his duties as attorney general—he might be able to suggest certain changes in legal terminology which would prevent practices of this kind being employed as a result of anomalies in the Bills of Exchange Act. All I am asking is that in his capacity as attorney general the hon. gentleman should offer advice to the Minister of Finance which would lead to the elimination of this abuse which is widespread and which, in my opinion, is making a mockery of justice as it is received by many people in relation to promissory notes handed over by companies with very little sense of responsibility.

(Translation):

Mr. Roberge: Mr. Chairman, I do not want to delay unduly the passing of the first item of the estimates of the Department of Justice, but before the committee does pass that item, I should like to point out an individual case referred to me by a Toronto correspondent. While it is an individual case, it might concern everyone, since it has to do with an amendment to the Criminal Code.

Mr. Chairman, we all know that a person prosecuted on an indictable offence may, under section 508 of the Criminal Code, appeal to the presiding judge of the court for what is known as a change of venue. In fact, that section provides that a change of venue can be granted by the presiding judge, if he decides that it is to the best interest of justice. And we realize that the interest of justice means, not only the interest of society, but also the interest of the accused who is entitled to a complete and thorough defence.

As I said a moment ago, section 508 applies to cases of indictable or criminal offences which can be submitted to a jury. But it is entirely different, as far as I know, in the case of a trial before a judge only, either before or after the preliminary hearing, or when proceedings are taken under part 24 of the Criminal Code concerning summary convictions.

Now, the case submitted to me may be summarized as follows: if an accused, say from Montreal, is charged with an offence committed in Vancouver, after which he has returned to Montreal, he must necessarily appear in court in Vancouver. Is it possible, at present, for that accused to apply for a change of venue, that is to say, can he request to stand trial at the place of his domicile? I do not think so. This might be advisable in less serious cases, especially in cases of summary conviction.

At present, it is easy for an accused from Montreal to avoid being at a hearing in Vancouver; in such a case the crown would submit *ex parte* evidence, in the absence of the accused who would obviously be convicted on some charge and sentenced to pay court fees.

Now, if this accused has an excellent defence and is unable to go to Vancouver because he cannot afford the railway fare between Montreal and Vancouver, how can he submit a defence under the present system? I do not think anything provides for that case in the Criminal Code. I would like to make a few suggestions in this connection.

The officials of the department might perhaps look into this matter of distance, in the administration of the act.

Besides, they might consider the possibility when the crown proceeds according to part 24 of the Criminal Code; that the crown states its case in Vancouver and the record, including the reporter's transcript, could be transmitted in some way to Montreal where the accused could present his defence before a magistrate. Later on, the record could be returned to the place where the charge originated, and the judge who heard the first part of the evidence could then pass judgment.

This procedure might not be too satisfactory in the case of an accused who decides to enter a plea of not guilty. But I believe it would be wise to amend the Criminal Code to provide for the acceptance of a written plea of guilt in cases of summary conviction, as they are commonly called.

I do not know what is the traditional procedure in other provinces. Nor do I know whether in such cases, judges in Quebec city and in Montreal accept written pleas of guilt, but I know that in the rural areas of my province, the judges often accept such pleas.

In order that an individual, who is indicted and brought to court, may be saved considerable expense for the only purpose of personally recording a plea of guilty, a clerk of the court and the judges accept written pleas of guilty, and the presiding magistrate or judge returns his judgment in the absence of the accused, thus saving the cost of an enquiry.

Therefore, I would ask the minister to submit these few remarks to his legal advisers in order to determine the advisability of amending the Criminal Code to that effect, and more particularly part 24 of the Criminal Code.

Before resuming my seat, I wish to say a word or two about a point which was raised yesterday by my hon. friend for Skeena (Mr. Howard) concerning a judgment passed recently in Montreal in relation with the Canadian Bill of Rights and the Income Tax Act. I am referring here to the judgment by Mr. Justice Brassard on February 17, 1961, in the case of Lafleur *v.* Guay and the Department of National Revenue, in which the judge states that it is contrary to the Canadian Bill of Rights—

(Text):

Mr. Fulton: Mr. Chairman, perhaps the hon. gentleman does not know, but I think in the interests of the committee's consideration I should point out to him, that this case is now under appeal.

Mr. Roberge: Mr. Chairman, I am sorry I did not know this case was under appeal. I should like to ask who has appealed; whether it is the Minister of National Revenue, the Minister of Justice, or the employee of the department.

Mr. Fulton: Mr. Chairman, the case is, of course, between the individual and the Minister of National Revenue, but it is the crown that has appealed.

Mr. Roberge: Would it be in order to ask the minister what the grounds for appeal were?

Mr. Fulton: Mr. Chairman, in so far as that is a matter of record, I feel I can give that information. However, before being in a position to do so I shall have to get in touch with counsel who prepared the notice of appeal. I know of no reason why these documents, which have been filed with the court and are matters of record, should not be placed before this house. The merits of the grounds given in the notice of appeal would not, of course, be open to discussion.

Mr. Martin (Essex East): Mr. Chairman, I understand the hon. member for Skeena made reference the day before yesterday to a conference which the minister held with the provincial attorneys general regarding the procedure to be devised for amending our constitution in Canada. I was not here at the time, I have made a hurried examination of *Hansard* but do not find any reply by the minister in regard to that question. Perhaps the minister could indicate to me by a nod whether it has been dealt with.

Mr. Fulton: I have not replied in respect of that point.

Mr. Martin (Essex East): The minister has held very important conferences with the provinces regarding this matter and, outside of the answers to one or two questions addressed to him during the course of this session, one asked by myself, there has not been, to my knowledge, any discussion in this house of this matter. Before the minister concludes his statement I think he should give us a report regarding the situation as it is at the present time.

As I understand it, there was a disposition on the part of most of the provinces, if not all, to try and find some *modus operandi* to provide for unanimous agreement between the provinces and the federal government in the matter of amendments to our constitution, and the placing of the power to amend with the proper legislative authority, or the proper legislative and executive authority, or authorities, here in Canada.

There are, of course, matters which concern the federal government and the provincial governments together in respect of constitutional amendments. There are matters which concern the provincial governments alone, and other matters which concern the federal government alone. We are not concerned with respect to those latter matters, but with those matters that concern both provincial and federal governments. I am sure there is an almost universal desire in our country that Canada should have the power to amend the Canadian constitution without resorting to another legislative body outside Canada. All that stands in the way of this is agreement between the two senior levels of government. It would be appreciated if, some time before this first item is concluded, the minister could give us indication as to what the situation is. As I understand it there was put forward by the spokesman for the province of Quebec, Mr. Gerin-Lajoie, a formula which seemed to be satisfactory to most of the provincial governments and the federal government. It would be interesting to hear from the minister in this connection.

I should also like to bring the minister's attention to another matter regarding the first item of his estimates. What progress has been made by the Minister of Justice particularly in the examination of all existing statutes which are thought by the law officers of the crown to be in any way inconsistent with the provisions of the bill of rights? During the discussion in the house prior to the enactment of the legislation it was argued that the bill of rights did not in any way add to our substantive law; that it was no more than declaratory of the existing law and that, in any event, some of its provisions would be found to be inconsistent with some of the existing statute law of Canada. It was further argued in this context, notwithstanding the contention made, notably by the Prime Minister, that the bill of rights would not supersede any inconsistent measure. It was pointed out by the Canadian Bar Association in the committee on the bill of rights that the bill would be inconsistent with certain legislation, notably the Immigration Act, and that the bill of rights itself would not remove that inconsistency notwithstanding the provision declaring that certain legislation inconsistent with the bill of rights would have the effect of causing those inconsistent enactments to be inoperative.

It is my feeling that this matter is still not clearly settled juridically, and the minister ought to give us some report. What steps have been taken by the administration to remove any anomalies or inconsistencies between the existing statute law and the bill of rights? Certainly nothing has been done by the administration thus far to indicate that it is prepared to bring forward amendments to any existing statutes to bring those statutes into conformity with the bill of rights.

We were told last session, for instance, that the War Measures Act would be amended in a manner to make it consistent with the bill of rights. It was strongly argued by the Minister of Justice last year that the amendments to the War Measures Act should not be made part of the bill of rights; that hon. members could be assured that that was in a sense a separate matter, and that it would be dealt with by the administration separately at the next session of parliament. The next session of parliament referred to at that time is this session, the end of which we are looking forward to and anticipating, but no measure has been brought forward by the government to amend the War Measures Act.

Indeed, there stands in my name now a private bill to amend the War Measures Act, which would make that act consistent with

the concepts and provisions of the bill of rights. If the government proposes to allow a measure introduced by a private member to do what it said itself it woul do, of course I have no objection. The important thing is to make sure that the War Measures Act and all other enactments do in fact conform with the spirit, the legal implications and directions of the bill of rights.

The third matter I should like to mention has to do with an announcement made by the minister during the course of the present session. It involves both his own administration and that of the Minister of National Health and Welfare, and has to do with the treatment of drug addicts. The minister might indicate whether he proposes to bring down any legislation in that regard. I do not know whether the legislation to which he referred the day before yesterday in regard to barbiturates is to be regarded as more of an omnibus measure than the mere announcement would indicate.

In any event, it would be interesting to know what progress has been made by the government in its discussions with the provinces with regard to the treatment centres contemplated. What does the government propose by way of additional legislation? Does it propose to increase the penalties for illicit drug addiction? Does it propose to take powers that would enable the crown to keep in confinement users of drugs who have violated the Criminal Code or the Opium and Narcotic Drug Act, thereby taking advantage of the confinement to give those individuals the opportunity to be rehabilitated in a government institution? Is the institution the government has in mind something along the lines of that in Lexington? This is the only major institution of its kind where those administering the criminal law and those administering the health services in the United States combine in providing for detention and rehabilitation.

This is a matter of the greatest importance. What progress has been made in this regard? Since the greatest concentration of drug addicts is in the province of British Columbia, has some arrangement been made with that province, or does that province wish to pursue this course all by itself? What is the situation with regard to the provinces of Ontario and Quebec? I mention these three provinces particularly because, second only to British Columbia, Ontario and Quebec represent the areas where the greatest amount of drug addiction is found.

Before this item is passed, perhaps the minister will give us some indication of his reaction to what I have said.

Mr. Roberge: I should like to refer to the last answer given by the minister. Did I understand the minister correctly to say that he would be agreeable to giving the committee the reasons why the crown is supporting the appeal referred to?

Mr. Fulton: Mr. Chairman, the position I took there was that when a notice of appeal has been filed, then it seems to me this is a matter of record in the court and is available to anyone who wishes to examine it, normally, of course, on payment of a fee—there would be no objection as I see it under the sub judice rule to my producing it here for the information of parliament. I would be prepared to do that if I am correct in my assessment of the situation, although, of course, I could not do it today because the offices are closed. I would be glad to do it just as soon as possible, subject only to one final check to make sure that I am right in my appreciation of the law that there is no objection to producing the formal notice of appeal.

Mr. Roberge: Is the minister going to table the document?

Mr. Fulton: I will table it if that is the desire, but I cannot table it today.

Mr. Howard: Before the item carries, will the minister give a sort of progress report, as it were, on the events with respect to the so-called Eccles divorce case which was referred to him by the chairman of the private bills committee last year and, as I understand it, subsequently referred back to the Attorney General of Ontario?

Mr. Fulton: Mr. Chairman, I will deal with the remarks of all those who have spoken this morning. The hon. member for Papineau brought to my attention some views with respect to the Bankruptcy Act. Those views have been noted accordingly. As the committee knows, we are in the course of a study of the Bankruptcy Act, and I am grateful to the hon. member for the expression of his opinion, which we will note carefully and consider in the course of that study.

The remarks of the hon. member for Timiskaming will be given the consideration they deserve.

The hon. member for Megantic brought to my attention his views with respect to section 508 of the Criminal Code as to the desirability of making some provision for those situations where it is not possible, or at best extremely difficult and expensive, for an accused to get to the place where the trial is set, and also with regard to the question of entering a written plea of guilty. We will

consider both these matters. We had not included them in the Criminal Code amendment bill for this year but we will certainly consider them for the future.

The hon. member for Essex East asked me for a progress report with respect to the conference of attorneys general for the purpose of devising a recommendation as to an acceptable method of amending the constitution in Canada. In answer to that inquiry, which was also made by the hon. member for Port Arthur two days ago, I should say that the last meeting of the attorneys general was held here in Ottawa in January of this year—our third meeting. A good deal of progress had been made toward arriving at an agreement among the attorneys general on a formula that we would feel we could recommend to our respective governments for consideration by them and, if approved, for submission by them to their respective legislatures and the parliament of Canada.

May I emphasize again, because I think it is important, that we are not a plenary body. We were instructed by our governments at our suggestion to meet in order to see if we could devise a formula which we would be prepared to recommend to those governments. I say that because there has been some suggestion that we are rushing things, and that the country will suddenly be confronted with a proposal emerging from our conference which will become the law. I know my hon. friend has not made that suggestion, but it has been made in other quarters and I wanted to lay it at rest.

I certainly hope that a proposal will emerge from our conference that will be acceptable to all governments and to the legislatures and parliament. That is our objective; but it is only after, first, the governments have studied our proposal and, second, the legislatures and parliament have approved any proposal we may make, that it would become effective. As I say, up to January a good deal of progress had been made. Unfortunately I cannot say that there was unanimity, but there was a very close approach to unanimity in so far as views could be ascertained at that time on a formula which had been worked out, amended and approved and worked up, as it were, as a result of the meetings and exchanges of views that we had had.

In January the suggestion was made and accepted by the attorneys general that we had now come about as close to agreement as we could usefully come at the conference and that what should happen was that the government of Canada, accepting the responsibility of putting into draft form what appeared to be the concensus emerging from the discussions, should undertake to prepare a further draft on that basis and circulate it to all governments. It was then hoped that without the necessity of a further meeting the governments could consider that draft and indicate their views; and, as I say, it was hoped that the indication would be that it was acceptable. For what reason I am not certain, but this did not prove to be the case.

A draft was prepared accordingly and circulated by me but we heard from only a very few provinces as to their reactions to that proposal. I was in touch with them or with various of them on at least two occasions, I believe, but it appeared that, while none of them expressed any fundamental disagreement with the draft, they had become so engaged with their legislative sessions the matter was not dealt with as we had hoped it would be.

I came to the conclusion recently, therefore, that in order to ensure finality and, I trust, agreement it was desirable to reconvene another session of the conference of attorneys general. We had hoped to be able to conclude our work by correspondence, but in my view it has become evident that this will not be possible and that a little further impetus must be given. Therefore, within the last two weeks I have written again to each attorney general reminding him of the situation and saying that, since in my view it would be unfortunate if the impetus that had been gained and the results that were, we felt, so imminent of realization should be lost by lack of follow through, I was therefore suggesting that we meet again in the month of June or, if that were found not to be convenient, in the month of September, and I asked them to indicate their views as to a suitable date. Whenever we meet I hope we shall be able to arrive at a satisfactory conclusion to report back to our governments.

Mr. Martin (Essex East): Does the minister feel that he can indicate which provinces did not concur in the general formula, or does he feel that he should not do so?

Mr. Fulton: I feel that I should not at the moment. As I say, I have not had definite replies from any of them. Indeed, I had answers from only one or two provinces. One in particular, which will be as well known to my hon. friend as it is to me, made public its attitude toward the proposal being discussed. There is no secret about it; it was the province of Saskatchewan. They have not rejected it, but apart from their views the views of the others were very close to complete agreement. I might say that a number of provinces made proposals and put forward drafts, and we also put forward drafts

from time to time. Then we had the draftsmen work up what appeared to be the nearest concensus of the views expressed at which we could arrive.

The hon. member raised a question as to the extent to which my department has proceeded to study all the statutes of Canada with a view to bringing them into conformity with the bill of rights. I have to remind the hon. member that at the time of the discussion of the bill of rights last year I made it clear it was not our intention to embark on any such study. I outlined at that time the difficulties, physical and otherwise, that such a study would raise. I said we did not consider it appropriate to embark on that sort of study, but that what we proposed was that we would be on the alert for anything that might bring to our attention a case of conflict, particularly, of course, anything emerging from a judgment of the courts. If any court judgment were to say "We consider this to be in conflict with the bill of rights", that of course would have our immediate attention in so far as the matter was one within federal jurisdiction. I also said that as various acts come up for revision from time to time or for scrutiny in any way, we would certainly look at them from the particular point of view of the bill of rights, but that we did not intend to undertake a general survey of all the statute law of Canada from that point of view.

I must disagree with my hon. friend when he says that nothing has been done to bring existing statutes into conformity with the bill of rights. I would remind him of a discussion we had in this chamber not long ago in connection with the Fisheries Act, when my colleague the Minister of Fisheries presented a revision of that act. We were careful to point out, as I think was our duty, that certain of its provisions had been opened for the express purpose of revising them in order to bring them into line with the bill of rights. Those were the provisions relating to seizure and confiscation.

In legislation very shortly to be introduced in the house my hon. friend will see a case of another act certain provisions of which, now that it is up for revision, have been revised to bring them into conformity with the bill of rights.

Mr. Martin (Essex East): Before the minister leaves the subject of the bill of rights, may I be permitted to ask another question. My recollection is that the Prime Minister said, I think at this session, there would be amendments brought in to the War Measures Act. The government has not given any indication of its intention in that regard. I have pointed out that I have prepared amendments that are incorporated in a private bill that has not yet reached this house but notice of which exists. Is it the government's intention to proceed with amendments to the War Measures Act during this session?

Mr. Fulton: My department has been working on amendments to the War Measures Act. We are not at the moment in a position to recommend legislation. I therefore regret that I am unable to assure the hon. member that an amending measure will be proceeded with at this session.

It is also my recollection that the Prime Minister indicated that some action would be taken, but I am not quite sure whether the intended action referred to was legislation or a committee study. However, whichever it was, my recollection is that reference was made to action being taken at this session.

At the moment, so far as my responsibility goes, I am not in a position to state definitely that we will be in a position to take action at this session. If we should find ourselves in that position, and if there should be an immediate demand for action, we would then do our best to proceed; but I must say that in view of the stage the session has reached, and the state of the order paper, I think probably we all might wish to have another look at that situation.

The final question the hon. member raised concerned the Opium and Narcotic Drug Act. The hon. member asked me what was the position with regard to new legislation in that field. I am very glad to be able to advise my hon. friend that if he will refer to my policy statement made on January 24 in this house on behalf of myself and my colleague the Minister of National Health and Welfare, he will see there a fairly complete outline of the policy which we have developed with respect to these matters, particularly with respect to those aspects which come under my responsibility, namely the custody and treatment of addicts. If my hon. friend will look at *Votes and Proceedings* of yesterday he will see there notice of a motion in the name of the Minister of National Health and Welfare in these words:

> —On Monday next—Bill intituled: "An act to provide for the control of narcotic drugs".

That legislation will be introduced, if the house gives leave, on Monday. The bill is printed and will be available for distribution at first reading.

I am pleased to be able to say that we have developed what we believe to be a sound and forward looking policy—and I am glad to be able to have some part in this—after so many years during which the Canadian people have been hoping for a forward step in connection with the treatment of drug

addicts. We believe we have developed a sound policy. I do not wish to be too optimistic, because it is an extremely difficult field, but I can assure the committee that the legislation, when introduced, will, I believe, come up to the expectations of the Canadian people and their desire to see, after all these years, a real effort made to come to grips with the drug problem.

The hon. member for Skeena asked me what is the situation with regard to the Eccles divorce case. I find that in reporting to the committee two days ago as to how I am dealing with allegations of irregularities in those divorce cases that are referred to me, I omitted one stage in the process that we have worked out. I believe I said that when these cases are referred to me I make certain inquiries including, for instance, an inquiry from the chairman of the Senate divorce committee, and gather all the material that seems to be relevant, and then transmit it to the appropriate provincial attorney general. I omitted to state that one of the stages in this process is to refer the material to the Royal Canadian Mounted Police for investigation so that the facts can be established. Then, when that is completed, all the documents including the R.C.M.P. report, are referred to the appropriate attorney general. The Eccles case is now under investigation but I have not made a report to the provincial attorney general, although we have had some preliminary correspondence with Toronto about this case.

In addition to the Eccles case there are three others which were referred to me and which are undergoing the same process, the Isenberg, Leduc and Godard cases. One other, the Radakovitz case, has been directed to my attention and I have referred it to Senator Roebuck for such information as he may be able to let me have from the records of the Senate committee. This case has not yet been referred to the police for investigation, but the other four have been referred.

Mr. Howard: Mr. Chairman, I do not know whether this action arises from the activities of the R.C.M.P. or from those of the attorney general himself, but it has been brought to my attention that the activities of the R.C.M.P. in the Eccles case have placed one of the parties to the case in an unfortunate position. I am informed that Mr. Eccles attempted to obtain a transcript of the evidence heard before the miscellaneous private bills committee last year when the case was reheard by that committee, but has been refused it because it is considered a private document. In his words that is what happened. If any two people should be entitled to obtain that transcript surely they would be Mr. and Mrs. Eccles. The transcript should be made available to them.

I understand also that recently an R.C.M.P. officer of unknown rank whose name is Webster phoned Mr. Eccles in Toronto and requested an appointment the following day, to which request Mr. Eccles acceded. The following morning at 9:30 two R.C.M.P. officers visited Mr. Eccles and sought to obtain information which Mr. Eccles refused to give on the ground that he was alone and there were two officers present. Perhaps Mr. Eccles is sceptical about the police in this regard. The questions related to times and dates and other information given in evidence in the committee. The police officers indicated that they had read, reviewed and studied the transcript of evidence given before the committee.

Mr. Eccles was placed in an unfair position. Before any additional inquiries are made of any of the parties to or witnesses in the Eccles case, they should be given an opportunity to examine the transcript of evidence to refresh their memories, which may be hazy concerning some of the evidence given before that committee. I wonder whether somehow or other, perhaps through the minister in consultation with the R.C.M.P. or the attorney general, we could ensure that no further inquiries are made by the R.C.M.P. of individuals who have given evidence before the committee unless those individuals have had an opportunity to be in possession of the transcript of evidence.

I wish to point out one other thing here. On the morning the two R.C.M.P. officers went to see Mr. Eccles—when there were two of them and one of him, as it were—he was rather busy and asked if they could come back, which they did. In the meantime I understand Mr. Eccles got in touch with two other gentlemen—as witnesses, if anything, I suppose—who were reporters for the Toronto *Star*. When the two R.C.M.P. officers returned they found these two gentlemen there and refused to go any further into the inquiry or questioning they had originally intended to make.

Mr. Fulton: Mr. Chairman, I think the reason for that is quite obvious, and the course taken was very proper. It is not the habit of R.C.M.P. officers to interview witnesses in the presence of newspaper reporters, especially when an inquiry of this nature is under way. I think we would be open to very severe criticism if we conducted any such inquiry in the presence of newspaper reporters. As far as I know there is no objection to Mr. Eccles or anybody else having somebody else there, but hardly a newspaper reporter, let alone two of them.

In connection with the availability of the transcript, I can only say that this is not something under my control or that of my department. As I understand my hon. friend, this document would be part of the record of the proceedings before the miscellaneous private bills committee and would be under the control of that committee. I am not aware of any reason why anyone should not secure a copy of the transcript. There may be a fee to pay for a transcript; I believe there is a scale of parliamentary fees laid down. However, the question of whether or not it is available is entirely one for the committee to determine; it is certainly not for the minister or the Department of Justice.

Mr. Howard: Mr. Chairman, I hope the minister is not saying that newspaper reporters are not in the same class as other people who may be present at discussions or inquiries. Regardless of that, I gather that the R.C.M.P. have obtained a copy of this particular transcript of evidence, and surely the same courtesy should be afforded Mr. Eccles. I understand he has a letter from some official which says he cannot have it because it is a private matter.

Mr. Fulton: I am sure he did not get it from me. I can only suggest again, Mr. Chairman, that the hon. member take up that matter with the committee. I have no custody or control over documents that are in the possession of a committee of this house. My hon. friend is a member of that committee—

Mr. Howard: No.

Mr. Fulton: I am sorry; I understood him to be a member of the miscellaneous private bills committee.

Mr. Howard: I was at one time.

Mr. Fulton: It is in that committee and with the officials and chairman of that committee that this question should be taken up.

The Acting Chairman (Mr. Chown): Shall vote 165 carry?

Some hon. Members: Carried.

Mr. Howard: No, not yet, Mr. Chairman.

Mr. Roberge: Mr. Chairman, vote 165 reads as follows:

Departmental administration including annual contribution of $200 to the conference of commissioners on uniformity of legislation in Canada and $167,500 as grants to recognized private after-care agencies as may be approved by treasury board.

My first question is this. Would the minister care to give a progress report on the conference of commissioners on uniformity of legislation? Second, I refer the minister to pages 240 and 241 of the blue book. On page 240 there is the following item:

Grants to recognized private after-care agencies, $167,500.

This pertains to the vote I just read. Then this item is found on page 241:

Grants to recognized prisoners' aid societies, $60,000.

My question is, are these votes the same? Why was it transferred from one to another, and what is the reason for the increase?

Mr. Fulton: In answer to those questions, Mr. Chairman, first the conference of commissioners on uniformity of legislation in Canada meets once a year. It comprises representatives of the attorneys general of the provinces and the Attorney General of Canada. It always meets immediately prior to the annual meeting of the Canadian Bar Association. Its primary task is to consider all those suggestions that are from time to time brought forward with respect to amendments to the Criminal Code.

The reason for this conference, as will be appreciated, is that the criminal law is enforced through the medium of provincial attorneys general although it is enacted here in parliament. Therefore many years ago it was thought desirable to set up some regular machinery through which representatives of the provincial attorneys general could meet with representatives of the Attorney General of Canada to discuss the implications of various suggested amendments to the Criminal Code that are made from time to time. We make a small grant to that body.

Mr. Roberge: Before the minister continues, Mr. Chairman, could we be informed of the reason for the contribution.

Mr. Fulton: I am informed that every government contributes. I am told that other governments contribute the same amount. The purpose of the contribution is to meet the cost of printing, correspondence and stationery—printing reports and so on—because there is a good deal of work carried on by the secretary of the conference during the year while suggested amendments are accumulating. These all have to be processed and distributed. Then, as I said, the commissioners meet every year during the week prior to the Canadian Bar Association meeting and go through the material that has been prepared for their consideration.

The answer to the question with regard to grants to the recognized private after-care agencies is this. Until this year the grants were made from two sources, one the Department of Justice itself and the other the penitentiaries branch. When the parole board came into being two years ago, that portion

of the grant which had formerly been administered by the department was put under the parole board item. That is why last year there was an item, as is shown here, of $60,000.

This year, however, we decided there was not much point in having two different items for grants to the same agencies, so we decided to consolidate them into one sum. We have placed it under the item for departmental administration. Last year the total provided was $150,000, of which $60,000 was paid by the parole board and $90,000 by the penitentiaries branch. This year there is an increase of $17,500 in the over-all amount, making a total of $167,500.

Mr. Peters: Mr. Chairman, I am interested in the Eccles case because it is the only case we have had of that nature which we have been able to follow. As reported on page 581 of *Hansard* for December 7, 1960, the hon. member for Skeena asked a question about the position of the Eccles case at that time. In answering that question the parliamentary secretary to the Minister of Justice had this to say:

> I am informed that the law officers of the crown, after a careful review of this case and all the facts as presented by the committee, have referred it to the department of the attorney general of Ontario for consideration as to possible action under the Criminal Code, particularly referring to perjury.
>
> It has been referred to the provincial authorities because it is a matter concerning the administration of justice within a province.

My question is, how did the R.C.M.P. get back into this case? I realize that the minister, replying to another question addressed to him by myself on March 2, 1961, as reported at page 2575 of *Hansard*, said:

> As the hon. member has pointed out, this matter was referred by us to the attorney general of Ontario, and since the initial reference certain further investigations into some aspects of the case are being conducted. The results of those investigations will in turn be brought to the attention of the department of the attorney general of Ontario. As my parliamentary secretary indicated to the house on December 7, 1960, this matter relates to the administration of justice in the province.

How did the R.C.M.P. get back into this case if the investigation was being conducted by the province of Ontario? I am told by Mr. Eccles that nobody has been to see him about this matter, apart from this investigation which took place very recently when, first of all, an R.C.M.P. plainclothes man identified himself as such and then wanted to discuss the case. Then followed the incident which the hon. member for Skeena has outlined. This would appear to indicate that either the minister has reopened the case himself, going further than he indicated on March 2, or that the R.C.M.P. are acting on behalf of the Ontario attorney general.

Mr. Fulton: As I explained a few moments ago in answer to the last inquiry from the hon. member for Skeena, there is a stage at which the R.C.M.P. conducts an investigation into the facts as alleged and as they appear from the documents. The R.C.M.P. report on their investigation is referred to the appropriate attorney general. I told the committee a few moments ago this was the procedure we had worked out. The Eccles case was the first of these which came to us, so we thought we had better work out a suitable procedure. Early this year we wrote to the attorney general of Ontario advising him we had received these complaints. Then, in accord with the answer I have already given, there were preliminary discussions with the attorney general of Ontario. Later my deputy went to Toronto to interview the officials of the attorney general's department there in order to work out a completely satisfactory procedure.

It was pointed out by the attorney general of Ontario or by officials of his department that it was felt they should have the responsibility for any prosecutions for perjury or other ordinary offences under the Criminal Code which might take place in Ontario. However, in this case, and it might well be in other cases, the offences were alleged to have taken place in more than one province. In that particular case some of the offences and irregularities alleged were said to have taken place in Quebec. So the attorney general of Ontario suggested that since the records were initially all avaliable here, and since in many of these cases there was activity going on in more than one province, it might be appropriate for the R.C.M.P. to conduct the investigation into whatever it was alleged had been improper and then, when we had concluded that investigation, to convey the files, the police report and all the other documents to the Attorney General of Ontario who would look at them from the point of view of whether prosecution is called for. This was the arrangement worked out, and it is the arrangement being followed in this case.

Item agreed to.

166. Parole Act administration, $654,790.

Mr. Roberge: May I ask the minister how many cases were reviewed last year under the Parole Act administration, how many reprieves were granted and how many conditional releases were given?

Mr. Fulton: The total number of releases last year was 2,459.

Item agreed to.

167. Supreme Court of Canada—administration, $242,715.

Mr. Howard: This item deals with the administration of the Exchequer Court of Canada. This high speed automation in the calling of the items is a bit too quick for me, because in the last couple of days we have been used to proceeding in a somewhat leisurely manner. I should like to make a few comments, if that is in order, about the Exchequer Court of Canada and its jurisdiction. I know there is on the order paper a notice of motion, or a resolution preceding a money bill, in the name of the Minister of Justice to appoint, I think, one additional puisne judge, if that is the proper expression, to the exchequer court; and without attempting to discuss the appointment of this additional judge and the use which might be made of his services I think it might be in order to deal with the present jurisdiction of the court and some of the subject matters which that jurisdiction covers.

This subject has been dealt with in parliament on a number of different occasions in the past both by way of bills moved, some of them in the name of the former hon. member for Winnipeg North Centre, and by way of debate and questions put to the Minister of Justice from time to time relating to the jurisdiction of the exchequer court and whether or not that jurisdiction was broad enough to cover a particular problem which has arisen from time to time. Members of the house have discussed whether or not it would be advantageous to overcome in an immediate way some of the problems confronting this house and the Senate with respect to another matter, namely the granting of divorces; and it is with regard to this field that I should like to make a few comments.

I wonder if I may call it one o'clock.

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

The Chairman: Shall vote 167 carry?

Mr. Howard: Mr. Chairman, before the luncheon recess I made a few preliminary remarks in respect of the Exchequer Court of Canada and its jurisdiction. I was suggesting that perhaps the jurisdiction of that court be extended to embrace the matter of divorce proceedings from the provinces of Quebec and Newfoundland.

The Chairman: Is the hon. member speaking in respect of the exchequer court, or the supreme court, because we are now on item 167 which has to do with the administration of the Supreme Court of Canada?

Mr. Howard: Mr. Chairman, I understood this item covered the administration of the Exchequer Court of Canada.

The Chairman: Item 167 has regard to the Supreme Court of Canada. The administration of the exchequer court is covered under item 168.

Mr. Howard: That is not shown in the book of estimates which I possess. It appears here that item 167 covers the administration of the Exchequer Court of Canada, and shows the details at page 241. If this item, which we are presently considering, covers the administration of the Supreme Court of Canada, perhaps I should defer my remarks until we reach the next item.

The Chairman: Perhaps there is some error here.

Mr. Macdonnell: No, there is no error.

Mr. Howard: Perhaps I have misread or misinterpreted that which the item covers. If so, perhaps I may be allowed to make my remarks in reference to the Exchequer Court of Canada during the discussion of item 168.

The Chairman: Shall item 167 carry?

Some hon. Members: Agreed.

Item agreed to.

168. Exchequer Court of Canada—Administration, $151,110.

Mr. Howard: Thank you, Mr. Chairman, for straightening me out in regard to this item. I assume that the remarks I made before the luncheon recess, during our consideration of vote 167, will apply here, and that it will be unnecessary for me to repeat them.

At the present time there are courts with jurisdiction to handle divorce cases in each province of Canada with the exception of Quebec and Newfoundland. As is well known, divorces from these provinces are brought to the House of Commons, handled by a committee of the other place, and then finally granted by an act of this parliament. The handling of divorces from those two provinces in this way was the subject of considerable discussion in this house last session. Undoubtedly the same sort of discussion will take place this session if the divorce bills presently before parliament are proceeded with. In any event, I feel sure that each member of this house, as well as each member of that other place and, of course, a considerable portion of the general public of Canada, feels that the present system in this regard is a cumbersome and inefficient one, and that

parliament should not be the arena or court dealing with these particular matters.

I realize, of course, there is some objection in the province of Quebec to the setting up of courts with jurisdiction to handle divorce cases from that province. I am not aware that a similarly strong objection is taken to this procedure in the province of Newfoundland, perhaps because there are relatively few divorce cases arising in that province.

There have been alternative methods of proceeding with divorce cases from those two provinces suggested from time to time. Without going into detail in respect of those alternatives, I wish to deal with the jurisdiction of the exchequer court in this regard.

The suggestion that the exchequer court deal with divorce cases from those provinces is perhaps not completely acceptable as an alternative providing a complete solution to the problem. However, should the jurisdiction of the exchequer court be enlarged to cover divorce cases from Quebec and Newfoundland, I suggest they would be more expeditiously dealt with than they presently are, under the petition and private bill system, and perhaps at a lower cost. I also suggest that under this alternative system there should be a more careful consideration and review of the evidence presented in support of the individual divorce cases than is received under the present system.

While this alternative method is perhaps not completely acceptable, I feel the government should take cognizance of that suggestion, with a view to making a decision in respect of amending the Exchequer Court Act, increasing that court's jurisdiction to cover petitions for divorce originating in the provinces of Quebec and Newfoundland. Even though this sort of approach would perhaps deal only with divorces on the grounds which exist at the present time, it would not be wise to extend the grounds as well as the jurisdiction at this time. This is a finality we must look toward. I do not think that further legislative action should be taken unilaterally by the federal government but only after consultation with the provinces of Quebec and Newfoundland because certainly they have an interest in this particular matter. It may well be that after consultation with these two provinces it might be decided that this sort of action would be an acceptable alternative to that which exists at the moment. Perhaps it might be found desirable to have the cases heard by the exchequer court in the city of Ottawa if another course is found to be objectionable by the province of Quebec itself.

I say that the granting of such jurisdiction to the exchequer court would bring about a more expeditious dispatch of the cases because when one proceeds by way of a petition to parliament one must comply with the rules of the Senate in so far as petitions are concerned. There is a time limit within which those petitions may be presented. It is only during the early days after the opening of the session that such petitions can be accepted. It is only by consent that petitions which are presented later are accepted by the Senate and by the house. The system used at present prohibits an individual from proceeding with a divorce action when parliament is not in session. During recesses of parliament and in the time between the dissolution and the calling of a new parliament the present system prohibits people in the provinces of Quebec and Newfoundland from taking action for divorce. Then, the time limit established by the rules of this house and by the Senate with respect to the presentation of petitions confines this period to a relatively few days during the year.

For argument's sake, if one of the parties to a marriage discovered that his or her spouse had committed adultery in any province other than Quebec or Newfoundland action would be instituted in the courts almost immediately and, depending on the business before the court, the case could be heard within a relatively short period of time, and the court would come to a decision. If the same set of circumstances were to occur in Quebec or Newfoundland it would mean that the aggrieved party would have to wait until the opening of the next session of parliament, whenever that might be, before a petition could be presented and the machinery set in motion to deal with the particular case.

At the moment, under the present system of petitioning parliament for divorce—and this has been authenticated by lawyers who have been active in these particular cases and by petitioners and respondents as well—the costs amount to a minimum of some $1,500. This is for the open and shut case, without any extensive work being performed by private detectives and without any contestation on the part of the respondent, or the corespondent, that adultery did not take place. If there is protestation, if a case requires extensive, or any degree of investigation on the part of a private detective or detectives, the fees and costs range upwards from $1,500. I have heard figures cited ranging from $10,000 to $15,000 as the total cost

to the petitioner in obtaining evidence, providing witnesses, paying private bill fees, lawyers' fees and the like, in order to get the case before parliament.

I have heard figures cited by lawyers in other provinces with respect to an open and shut case, as they are referred to in provincial courts, and they run somewhere in the neighbourhood of $400 to $500. If we compare $400 to $500 with a minimum of $1,500 as the cost for parliamentary divorces we shall see that our present system is imposing a pretty heavy burden upon residents in the provinces of Quebec and Newfoundland when it comes to divorce actions. The saying has been bruited about to some extent that this system allows divorces for the rich and just misery and continued misery for the poor.

If the exchequer court were given this jurisdiction it would not be the complete answer to what exists at the moment because I doubt very much whether we could give to the exchequer court any jurisdiction in the field of alimony payments or any jurisdiction over the custody or welfare of children, since this is a matter which comes within provincial jurisdiction. Nevertheless, if we were to give this sort of jurisdiction to the Exchequer Court of Canada to deal with divorce actions arising in the provinces of Quebec and Newfoundland on the grounds that exist at the present time in the other provinces except Nova Scotia, where cruelty is also a ground for divorce, I think we would alleviate a great deal of the suffering, misery, and financial burdens which rest upon the shoulders of people in Quebec and Newfoundland who feel aggrieved and wish to take action for divorce. It would help somewhat in this regard and it would certainly remove from parliament what I consider to be a debasing task, namely the handling of divorce actions arising in those two provinces.

On a previous occasion the minister made some comments as to what might be done in this regard and I should certainly like to have his comments as to what studies have been made by his department and by the government with respect to this particular situation which has been advanced before in this parliament and in previous parliaments by members who are not here now. I know it is something that previous governments have considered. I think it would be well if the minister could indicate to the committee what progress is being made, if any, and what steps are being taken, if any, to deal with the divorce problem and specifically to deal with the suggestion which I have just made and which has been advanced in another form on other occasions by my friend from Timiskaming.

Mr. Peters: I should also like the Minister of Justice to reply and tell us whether changes are contemplated. We have an indication from the resolution which has been presented that changes are contemplated in the Exchequer Court Act. Does this mean that there will be additions to that court? We have made the suggestion before, and I certainly do not want to go into it in detail now, that if there were one or two more judges appointed to the exchequer court they would be able to deal with this problem without any change in the set-up of the court. It should also be pointed out that we have suggested in our presentations that the clause in the Exchequer Court Act making provision for judges of that court to travel and hold sittings in various regions should not apply so far as divorce is concerned and that judges dealing with divorce would sit only in Ottawa.

We feel that there is merit in this suggestion. We seem to have run into a blank wall in relation to this very knotty problem and inasmuch as the government agreed to consider the question of divorce it seems to me they must have taken a look at this suggestion. I would ask the minister whether he has given consideration to this suggestion as a solution of a problem that we all want settled one way or another. I should like to know whether the resolution on the order paper making provision for an additional judge of the exchequer court has any relation to the matter of divorce.

Mr. Fulton: Mr. Chairman, as the committee will appreciate, I am sure, from time to time consideration has been given to the matter of the transfer of jurisdiction over divorce to the exchequer court or other methods of dealing with the problem of granting divorces to those applicants who may apply from the provinces of Quebec and Newfoundland. I replied to a question on the matter some four years ago and in the course of my reply I said I would look into the matter and discuss it. I am not able to hold out much encouragement to the hon. member who has asked this question. I think the hon. member for Skeena has put his finger on the very difficulty.

Quite apart from the consideration of whether there is a constitutional or jurisdictional obstacle in the way of transferring jurisdiction to the exchequer court, such a course would involve the enactment of a divorce law, and the parliament of Canada would then be in the position of having to enact a divorce law for a province. My hon. friend can readily appreciate just what sort of problems that would create.

I do not think I really need to go much further. That sums up the whole of the problem. So far as the particular proposal is concerned, that is, the transferring of jurisdiction to the exchequer court, there are methods by which parliament itself may alter its own routine in the handling of these petitions for private bills dissolving marriage, but that is a matter for parliament to determine. Some hon. members have given study to this matter and, as is known, a private member introduced a bill in this chamber. The disposition of that bill is within the knowledge of the hon. member. It seems to me this does establish that parliament itself has the power to make what alterations it wishes in the method by which it deals with this matter, but there would have to be agreement, of course, upon the course to be followed.

Mr. Peters: Has the minister considered the simple expedient of changing the one clause with respect to domicile and making provision in matters of divorce for Canadian domicile only rather than provincial domicile as at present? If provision were made for Canadian domicile in matters of divorce, would that not eliminate the problem that the minister has raised? The dominion of Canada divorce act of 1930 would then apply if that one change were made with respect to domicile. The only problem that would then face the government would be to make the necessary minor changes to provide for the addition of one or two judges to the exchequer court to deal with this specific matter solely. These judges would not travel but would sit here in the city of Ottawa to hear divorce petitions.

Mr. Fulton: With respect, I do not think that the matter is quite as straightforward as has been suggested in the remarks just made. My understanding is that the act of 1930 is not a substantive law of divorce. It deals primarily with the right of a wife to petition notwithstanding that her husband is not domiciled in one of the provinces of Canada. It seems to me that the implication of what is being suggested, however it was carried out, is that we would then have in the exchequer court an alternative court of divorce for all of Canada. There is no substantive law of divorce enacted by way of a federal statute. The law on this matter is the law that happens to be applicable in the various provinces by virtue of the sources, mainly in the United Kingdom, that were applicable at the time when the province entered confederation. So you actually have different laws of divorce applicable to the different provinces of Canada and, as I understand the legal situation, there is no single federal substantive divorce law in effect.

[Mr. Fulton.]

Mr. Peters: It is true that in the case of provinces like Nova Scotia, British Columbia, I believe, and one or two others, there was a law respecting divorce in their constitution at the time of confederation. Is it not true, however, that the Dominion of Canada did pass a law and that law is the only one that can be made applicable by any province that did not have such a provision at the time of confederation? The 1930 act is in effect the only law that can be made applicable in such a province. All we are suggesting is that the exchequer court is an alternative for those provinces that do not wish to do this.

I am suggesting that the only change that would be necessary would be to alter the requirement respecting domicile that is now in the act. As the situation is now, the domicile is that of the husband unless the wife has been deserted by the husband for a certain period of time. In that case the domicile of the wife applies. It seems to me that the act of 1930 applies to those provinces that have entered confederation since 1867. If, for example, the Northwest Territories becomes a province, the only act that can apply is the dominion act as it exists now and which is now being applied to that territory. We suggest that if provision were made for Canadian domicile in matters of divorce only it would be possible to bring a divorce action in many provinces and in those in which it was not possible such actions could be brought before the federal court. I would think that legally the government already has this right if they wish to apply it. I do not want to belabour the point but it seems to me that this is a very easy way of solving the problem.

I should like to refer in passing to what the minister said about the private member's bill that we passed. I believe this action was taken by all members of the house in their desire to find a solution to the problem but the other place has not seen fit to endorse the action. The minister will recall that the bill only applies to this year in any event. I think it has been the desire of the house that this problem be solved and that this solution should not be considered to be permanent, but only temporary in order to eliminate what many of us think is a moral problem. I refer to ruling upon situations about which we are not aware and about which we are not in a position to do anything. I am not a lawyer and I do not know all the legal implications, but from a study of this matter I would think it warrants new and immediate consideration because this suggestion would seem to me to be a solution of the problem.

I should like to add this. The provinces of Quebec and Newfoundland are in the position where they do not want to or are not able,

for various reasons, to establish courts of their own in this field. It seems to me that the objection which citizens of those provinces have should be removed and they should have the opportunity of bringing their cases to a federal court, if that is the only way open to them.

I think this objection will be met as long as we do not ask the province of Quebec, for example, to have exchequer court judges hearing these cases in that province. I think this would be the least offensive method of handling what is considered to be, and probably rightly so, a major social problem in that province. I do not want to belabour this question, but I think the minister would be well advised to give consideration to this matter because I see less objection to this method than to any other which I have examined, and I have examined seven or eight methods that could be used to solve this problem.

Mr. Fulton: Mr. Chairman, the hon. member may well have a point there and we will be glad to give further consideration to it. However, I think I am right in saying that if there is to be jurisdiction established in the exchequer court, to make it effective we would have to enact a substantive law of divorce applicable to the provinces of Quebec and Newfoundland. It might be done with reference to the old English matrimonial causes act, which happens to be in force in British Columbia, but it would have to be an act of this parliament which brought into force a substantive law of divorce for those provinces.

I need only refer to that fact for my hon. friends to see the extent to which it bristles with problems. I am sure we are all interested in finding some solution that will be satisfactory to all concerned and we will be glad to give further consideration to the suggestion put forward by the hon. member for Skeena.

Mr. Howard: Mr. Chairman, I had initially understood the minister's remarks to be a delightful way of saying no, but I see he has revised that somewhat and the suggestion is now going to be considered. I do not know whether the minister has the same sort of file as his colleague, the Minister of Northern Affairs and National Resources—I think his colleague calls it an active consideration file —but I think this is something that should be put into that file for consideration.

I should like to deal with the minister's point that parliament, by following this course, would be enacting a substantive law of divorce for two provinces. If we followed the course advanced, that of giving jurisdiction to the exchequer court for these two provinces, I think this is what we would be doing. But this course is not unprecedented in Canada.

The four western provinces of British Columbia, Alberta, Manitoba and Saskatchewan have some pre-confederation, United Kingdom law that is applicable. This has something to do with the original jurisdiction of those courts. As anyone who has read about this will recall, at one time in the 1920's and before, people resident in Ontario used to petition parliament for divorce in the same manner as do residents of Quebec and Newfoundland. In the 1920's—1927, 1928 or in that general period—the founder of the C.C.F., the late J. S. Woodsworth, raised this question of divorce in parliament on grounds somewhat similar to those advanced last session by the hon. member for Timiskaming, myself and other hon. members.

As a result of that the parliament of Canada —I think this was some time in the late 1920's —enacted a substantive law for the province of Ontario. That substantive law was the law of the United Kingdom as of a particular date. I forget the date; I think it was somewhere around 1857, but I am not certain about that. In any event, the parliament of Canada took action some 30 years ago to enact a substantive law of divorce for one of the provinces of Canada, namely Ontario.

There were difficulties to overcome at that time in connection with the relationship of the province of Ontario to the federal government. I do not know how the government of Canada and the government of Ontario reached agreement on this question or whether they even discussed the possibility of reaching agreement, but certainly it is not beyond the realm of possibility that parliament, having enacted a substantive law of divorce for a province in the past, can do so again. I do not think this raises any insurmountable problem with regard to taking a similar course of action in connection with two other provinces of Canada.

I think it does require, in addition to study or consideration by the minister and the government, perhaps direct consultation in a private way, if that is desirable, with the attorneys general or the governments of the provinces of Quebec and Newfoundland to see whether or not some mutually agreeable arrangement could be worked out that would be acceptable to the residents and the governments of those provinces and the government of Canada. I suggest this course be followed by the minister.

I presume that the minister is in contact with the Attorney General of the province of Quebec about other matters concerned with divorce, namely allegations of perjury, collusion, condonation or the like. Surely it

would not be beyond the bounds of reason to ask that some preliminary, if only preliminary, discussions take place—if they have not taken place already—with the governments of these two provinces to see whether or not some mutual agreement can be reached on this matter.

I think that parliament, having enacted a substantive law of divorce for the province of Ontario some 30 years ago could do so again. No great difficulties have arisen since that time, and no constitutional problem arose then. Apparently it was perfectly constitutional for the parliament of Canada to do this in the 1920's, and it would appear to be perfectly constitutional to do it in 1961, 1962 or some time in the 1960's with respect to the provinces of Quebec and Newfoundland.

Mr. Richard (Ottawa East): Mr. Chairman, one thing that has always struck me as I read the estimates of the Department of Justice from year to year has been the salary provided for the registrars of the two most important courts in this country, namely the exchequer court and the Supreme Court of Canada. I note that the salary of the registrar in this item is $9,000 which is less than that which is paid to a junior counsel in the justice department. The justice department have a number of counsel who are paid from $17,500 or more, downwards. Here is a man who has a rank I think of a deputy minister and who is handling very important duties in one of our highest courts in the land, who is taxing bills running into tens of thousands of dollars, travelling between or from Victoria to St. John's, Newfoundland handling both admiralty cases and other cases coming under federal jurisdiction. Whatever has happened—and this is not the fault of this administration only—in the justice department over so many years cannot be understood, namely why the registrars of the Supreme Court of Canada should be paid only $11,500 when the counsel of the justice department are paid up to $17,500 or $20,000, and why the registrar of the exchequer court should receive less than the amount received by the registrar of the supreme court in local jurisdictions in the province of Ontario.

I should like to have the opinion of the Minister of Justice on this matter. I would rather be assured by him that something is going to be done. As a matter of fact if he will look back at the salary provided for this year in the previous item for the registrar of the Supreme Court of Canada he will find that it is shown at $11,500 and that of the deputy registrar at only $10,500. As far as the registrar of the Exchequer Court of Canada is concerned, his salary is $9,000, but the range of deputy registrar runs up to $9,800. I feel that the registrar of the Supreme Court of Canada should receive the salary of a junior deputy minister in the government and certainly the same comment applies with respect to the registrar of the Exchequer Court of Canada.

Mr. Fulton: I am not too happy about the salary levels in the courts, I must say. However, my hon. friend knows that it is not always the easiest thing in the world to get salaries revised. There has been some change in the position to which he last referred. I am trying to see if I can get the details in this regard from my officials. There has been a change, I believe, since the book was printed. The information I have now as to the registrar of the Exchequer Court of Canada is that his salary is authorized at $11,000. It is true that the deputy registrar's salary still ranges between $8,120 and $9,800. For the Supreme Court of Canada the registrar's salary is $13,000. Therefore, it will be seen that there have been increases of $2,000 in each case.

Mr. Richard (Ottawa East): While that is something a little bit better I think the minister will agree with me that owing to the fact—

Mr. Fulton: I am sorry to interrupt in order to correct myself. In the case of the registrar of the Supreme Court of Canada the increase was $1,500, from $11,500 to $13,000.

Mr. Richard (Ottawa East): The minister realizes that this is his department and that this matter is not subject to the civil service commission. As a man of law and one who has had contact with the courts, I think he realizes that having regard to the duties of these two officials, these increases are hardly in keeping with the dignity of the office which these men occupy.

Mr. Martin (Essex East): This item includes not only exchequer court judges salaries and, I take it, also their travelling expenses or travelling allowances, but also includes the salaries of district judges in admiralty and their travelling allowances. Can the minister give us an indication, just to show the extent of the work of these two judicial divisions, what the travelling allowances of the district judges in admiralty are and what has been the travelling allowances of the judges of the exchequer court?

Mr. Fulton: The salaries of the district judges in admiralty are as follows: Four at $1,000; one at $800; one at $600; three at $333.33. With regard to their travelling allowances may I say this. The travelling allowance of the president and the puisne

judges of the exchequer court are included this year in the estimates at $7,500. The last figure I have—that is the actual expenses for 1959-60—is $7,649. The travelling allowance for the admiralty judges is $500. The actual expenditures in 1959-60 was $148.

Item agreed to.

169. Administration of justice in the Northwest Territories including the Northwest Territories territorial court, $154,794.

Mr. Peters: On this vote, I am interested in obtaining some information. I notice that on the order paper today we have a resolution in the name of the minister. Its purpose is to provide for two additional puisne judges of the superior court of Quebec and one additional judge for the court of appeal of British Columbia. I should like to ask the minister this question. Are these judges allowed to take work outside of their own field, particularly in matters pertaining to provincial jurisdiction, and are they allowed to receive remuneration for so doing? The reason I ask these questions is that I have heard a number of complaints about superior court judges who, on being asked to sit on such and such a case, have said, "no, I am not available". They have said they were writing something in connection with arbitration,—

Mr. Martin (Essex East): A conciliation report.

Mr. Peters: —a report on either arbitration cases or conciliation cases for boards on which they sat. There are numbers, I understand, who normally would be available to travel from one part to another to fill in and take cases not directly in their own area but they are unable to do this in many instances. They say, "I cannot go today because I have an arbitration board report to write", or "I have a conciliation board report to write" or "I am sitting on such and such a board". We are not referring to those judges who come to the minister and ask him for permission to undertake a certain job for the provincial government, such as the two judges in Quebec who, I understand, have asked for and received permission to make an inquiry into the whole judicial set-up in that province. That is not what we are referring to. We refer to the other jobs that superior court judges are doing. The questions I wish to ask are these. Do they have the right to do this? Do they have to get permission from the minister? Are they allowed to receive remuneration while they are doing work in a provincial jurisdiction?

Mr. Fulton: As to whether judges can sit outside the territorial limits of the province in which they are appointed, the answer is yes with regard to the judges of the court of appeal of British Columbia. By an amendment last year we provided for a change in the constitution of the appeal court in the Yukon territory. Formerly, it had been the appeal court of British Columbia and an appellant from the Yukon had to go down to Vancouver or Victoria to have his appeal heard. Last year we changed that, so it is possible now to constitute a court of appeal and have it sit in the Yukon territory. A judge of the court of appeal of British Columbia may go up and sit with other judges designated to constitute that court of appeal. He would receive no extra remuneration for that work but would, of course, be entitled to his travelling expenses. This is one of the reasons why provision is made for the salary of an extra judge of the court of appeal of British Columbia.

Mr. Peters: I take it the arrangement which the minister has described has proved to be a satisfactory one. Has any consideration been given to making a similar arrangement in the northern areas of Alberta, Saskatchewan and, possibly, Manitoba to extend the scope of the court of appeal so that it might hear whatever appeals arise in the Northwest Territories?

Mr. Fulton: My recollection is that we did the same thing with respect to the Northwest Territories last year by the use of the court of appeal of Alberta, Yellowknife being the administrative capital as it were. That is not strictly accurate, but it is the main centre and it is the place where the judge of the Northwest Territories presides. It is most conveniently reached from Edmonton. That is why we avail ourselves of the services of a judge from the court of appeal of Alberta in connection with appeals in the Northwest Territories.

Mr. Peters: The minister said something about superior court judges within provinces who were taking extra work in arbitration and conciliation proceedings. The charge is being made that the reason why cases are piling up in the superior courts is because some of these judges are taking work outside their jurisdiction. Such a practice is said to have given rise to delays in judicial proceedings, and I should like to ask the minister whether he is consulted and whether his permission is obtained before extra work of this kind is undertaken. I should further like to ask whether the law as it now stands allows superior court judges to accept remuneration for work done outside their jurisdiction.

Mr. Fulton: The Judges Act provides in effect that if authorized by the lieutenant

governor in council a judge of a superior court may act as a commissioner or arbitrator on any commission of inquiry or arbitration to which he may be appointed by any authority exercisable in that behalf by the lieutenant governor in council, so the act does provide authority for judges to act as commissioners or arbitrators. The act also states clearly that no judge so acting shall receive any extra remuneration. This is, then, in effect, made part of his judicial duties and a judge is not to receive extra pay in respect of such extra duties, though he is entitled to transportation expenses and living allowances which may be required in the course of his duty as commissioner or arbitrator.

Mr. Howard: Perhaps I could pursue this question a little further. I understand the minister to be referring now to duties such as those of an arbitrator appointed, say, pursuant to a provincial arbitration act where decisions involving property and land have to be reached with respect to valuation. The question raised by my hon. friend from Timiskaming concerns the work of judges as chairman of arbitration boards and conciliation boards in labour matters. I wonder how this aspect of judicial duties is governed.

Mr. Fulton: The hon. member would have to consult the statutes that are applicable. The words used in the Judges Act are these:

> —may act as commissioner or arbitrator on any commission, inquiry or arbitration for which he may be appointed under any authority in that behalf exercisable by the governor in council or the lieutenant governor in council respectively.

So if the provincial statute authorized the appointment by order in council of a judge to act as chairman of an arbitration board, or as a member of that board, it would come within the provisions of the Judges Act.

Mr. Howard: But suppose the appointment was made by a cabinet minister? For instance, as I recall the labour relations act of the province of British Columbia it is the minister of labour who appoints the chairman of the conciliation board, not the lieutenant governor in council. I assume that in such a case the provisions of the act would not apply.

Mr. Fulton: There is some danger in my making precise answers on general questions, but I would say, generally speaking that in such cases the consent of the governor in council here would have to be obtained. If it involves an appointment other than one that the lieutenant governor in council might be authorized to make, then the judge should obtain consent here.

[Mr. Fulton.]

Mr. Martin (Essex East): This question was discussed, the minister will recall, in the first session after 1957. I have not referred to *Hansard* to verify whether or not my memory is correct, but I believe the minister said at that time that he proposed to look into the question I then raised. My question arose out of a direction given by the chief justice of the trial division in the province of Ontario that those judges who served under his immediate direction should confine themselves exclusively to their judicial duties. There was concern about their participation in the work of boards of all kinds, arbitration boards, conciliation boards and other kinds of quasi-judicial bodies. I was prompted at the time to ask the minister what his view was with regard to such judges who came under his jurisdiction, judges of the Supreme Court of Canada particularly. I do not know whether this would apply with any force at all to judges of the exchequer court. I asked this question in order to ascertain what the view of the minister was.

Since that time the hon. gentleman has had an opportunity to acquire considerably more experience in his administrative duties and he may be in a position to tell the committee today what he thinks about this problem. On one hand we have the labour unions who have very strong views, I take it, against the use of judges on conciliation boards and the like. There are others interested in the administration of justice, members of the legal profession and others, who believe that the judicial function is one which as far as possible should be confined to its own particular field. Has the minister any views which he would care to express to the committee at this time?

I know the minister says that under the Judges Act a judge may act with respect to any matter which arises out of a direction given by the lieutenant governor in council but as the hon. member for Skeena has pointed out there are certain types of conciliation boards in labour disputes which afford to the minister in charge of the department and, in some cases, to the deputy minister, authority to designate an individual or individuals as a member or members of a conciliation board. We are developing in Canada, as they are in the United States and as they are, of course, in Great Britain —I suppose it is general in all modern industrial societies—a set of circumstances which requires the use of judicial experience and the judicial temperament outside the actual determination of matters which are directly related to the interpretation of the law in civil or criminal cases. There are many instances where, I am sure, the judicial

technique exercised by a properly appointed judicial person could make a much more useful contribution than people who are not trained in the sifting of evidence, and in the process of adjudication which lend themselves to more reliable determinations. I should be interested to know what the minister feels in this regard.

I realize in regard to the use of judges of the Supreme Court of Canada there is a divided view; a view, I take it, which is divided in that court itself. Different ministers of justice have taken different views with regard to the use of judges of the final court of appeal in respect of matters involving labour disputes, royal commissions and the like. I am not at this moment quarreling with their participation, but seeking to ascertain the view of the minister in regard to this matter. It becomes a matter of increasing importance in respect of the Supreme Court of Canada because, since the abolition of appeals to the judicial committee, that court has taken on an authority and, in consequence, a juridical prestige, which I am sure we are all pleased to see, and hope will grow.

Judges of the United States supreme court do not, I believe, take part in extrajudicial activities, with perhaps the exception of the chief justice, and their work is confined essentially to the work on the bench. I believe I am right in saying that in the United Kingdom it has not been the practice that those who sit on the judicial committee take part in commissions and the like. Excuse me, I am wrong in saying that. In the case of members of the judicial committee there are well known individuals, such as Lord MacMillan, who have taken part in royal commissions and the like. However, in the United Kingdom, I believe it has not been the practice for those judges who sit on the final court of appeal, as it were, in respect of domestic matters, to serve in a non-judicial capacity: I should like to know what the situation is here in this regard, and I address my remarks particularly in respect of the Supreme Court of Canada.

Mr. Macdonnell: Mr. Chairman, I should like to say just a word or two before the Minister of Justice speaks. I think the point raised by the hon. member for Essex East is of very great importance, and I should like the minister to recall that a former highly respected member of this house, known to both the minister and the hon. member for Essex East, the late John Hackett, had very strong reservations in respect of judges being appointed special duties because he feared, if they were drawn into matters which were controversial, particularly election petitions and things of that kind, the absolute impartiality which is so essential to the performance of their duties on the bench might be impaired by this extrajudicial function. I mention that fact because I know it will be of interest to the minister.

Mr. Fulton: Mr. Chairman, at this stage I do not wish to go beyond what I said on earlier occasions, to which my friend the hon. member for Essex East has referred. I do not in any sense retract anything I said at that time, but at the moment I do not wish to go beyond that. At that time I gave a fairly extensive outline of my views regarding this question.

I can re-emphasize, however, my view that it is one thing for a judge to be asked to sit in a quasi-judicial capacity, as chairman of an arbitration board, where he is exercising at least a quasi-judicial function in the arbitration of issues, but it is a very different thing for a judge to act as chairman of a conciliation board, where he is mediating between parties, which seems to me to be foreign to judicial functions. That is almost inevitably bound to make him, in the eyes of one or other of the parties, a partisan, when the results are given. The results will favour one or other of the parties, because the judge has been carrying on mediation. It seems to me that a clear distinction can be drawn in this area and, as I said earlier, in saying so, I am not making any firm pronouncement regarding the use of judges in respect of arbitration boards. I think this practice should be resorted to rarely so as not to become the custom, because judges should spend the vast majority of their time in performing their essential judicial functions on the bench.

I should also perhaps give some indication of the attitude of this government toward the matter, certainly so far as the supreme and exchequer courts of Canada are concerned. Evidence of this attitude is found in the fact that since we assumed office in June of 1957, we have not appointed any judge from either of these courts to any outside board, commission or inquiry. That is a record which I hope we will be able to maintain.

Mr. Howard: Mr. Chairman, the minister quoted earlier from a statute concerning what a superior court judge may do in respect of duties outside his court functions, if that judge is appointed by the lieutenant governor in council.

Mr. Fulton: Those provisions are to be found in sections 37 and 38 of the Judges Act. Perhaps I should make quite clear what I have said. I make no prohibition against the appointment of judges to the functions which

are described there. There may be cases where that is proper, and where, indeed, the only person acceptable under certain circumstances is a person holding high judicial office, and I do not want anyone to interpret me as saying that this must never and will never happen. I should like to be interpreted as saying that it is my view that this should happen as seldom as possible, if ever, and so far we have been able to live within those guiding lines.

I have referred the hon. member to sections 37 and 38 of the Judges Act. I should remind him that judges of superior courts in the provinces are judges of provincial courts. It is true they are appointed and paid by the federal government, and there are very good judicial reasons for that, but once they are appointed, they are judges of provincial courts. We would not be well founded in taking the position that the provinces cannot, by appropriate legislation, decide what will be the duties of those provincial judges, making those duties part of their judicial functions. However, the scheme of the act, as it presently is, reflects the importance of maintaining the position that this should not be a casual thing, but must be something for which legislative authority exists in the province, and the particular exercise of that authority, in so far as making appointments is concerned, is vested in the lieutenant governor in council.

Mr. Howard: I gather that if it is not within the authority of the lieutenant governor in council, but is a ministerial authority, then it is subject to the governor in council?

Mr. Fulton: That is correct.

Mr. Howard: Perhaps the minister could indicate how often the governor in council has granted consent in comparison with the number of requests for consent which have been received during the past year?

Mr. Fulton: Requests which are received are comparatively few; I should suggest in the neighbourhood of three or four per year. I do not give that figure as a firm one, but I am sure I should realize if there were more than three or four. I do not think there are more requests than that received per year.

Mr. Smith (Simcoe North): Mr. Chairman, I should like to—

Mr. Howard: Perhaps I may be allowed to follow this subject to its conclusion. I take it this procedure applies also in respect of appointments of chairmen to boards dealing with things such as labour disputes, in that the consent of the governor in council must be acquired if a ministerial appointment is involved?

Mr. Fulton: I certainly hope that is the case because, as I interpret the act, requests should be made here.

Mr. Howard: When a judge is appointed as a chairman of a conciliation or arbitration board under ministerial authority with the consent of the two parties to the dispute, and with the consent of the governor in council, what is the position in respect of remuneration for his services?

Mr. Fulton: That is covered by the next section of the Judges Act, section 39, which says:

> No judge shall receive any remuneration in addition to his judicial salary for acting as commissioner or arbitrator—

And so on. Then, it is made subject to the provisions of subsection 3 which says he may receive travelling and living expenses which he ordinarily incurs while carrying on his duties as commissioner or arbitrator.

Mr. Howard: He may receive fees as chairman of a conciliation board? That is not prohibited?

Mr. Fulton: I think this section is clear. It reads as follows:

> (1) Except as provided in subsection (3), no judge shall receive any remuneration in addition to his judicial salary for acting as commissioner or arbitrator—

Then there are some other words which do not make the situation any clearer. Then we come to subsection 2 which reads:

> Subsection (1) does not affect the right of any judge to receive remuneration under the provisions of any dominion or provincial statute in force on the 1st day of July, 1920.

Do not ask what the historical background of that is. I continue:

> (3) A judge acting as commissioner or arbitrator pursuant to subsection (2) of section 38, or as administrator or deputy of the Governor General or performing any duty or service he is required to perform for or on behalf of the government of Canada or the government of any province, may receive, in addition to his judicial salary, such moving or transportation expenses and living allowance as the governor in council or the lieutenant governor in council, as the case may be, may fix by general or special order.

Mr. Smith (Simcoe North): Mr. Chairman, some remarks were made a few minutes ago concerning the dignity of the bench. It seems to me it does not add dignity to the bench nor to our legal profession to have retired judges returning to practice before the bar and the courts where for many years they sat as presiding judges. I think this criticism is especially valid, as the hon. member for Essex East would agree, in matters in the

Supreme Court of Canada which, of course, is now the highest court in the land. One would hope that those retired judges are not forced to take this course of action because of economic necessity owing to the inadequacy of their pensions.

As a footnote to the same comment, Mr. Chairman, it has been noted and brought to my attention that in Ontario at least certain judges have used the title of their former position in furtherance of their own professional interests when they have returned to practice.

Mr. Martin (Essex East): The practice of judges retiring from the courts, of course, is not one of recent origin. As a member of the bar, I can very well understand the concern of the hon. gentleman who has just spoken with regard to this matter. I rose not so much to pursue this aspect of the problem, although I am aware of its existence and its importance, as to ask what is the position, for instance, with regard to a county court judge—I do not want to identify the person because I have no reason to suspect his good intentions, nor do I in any way wish to reflect on the integrity of the person —who takes over the chairmanship, for instance, and the administration of the liquor control commission in one of our large provinces? I do not know whether the minister knows to whom my remarks are directed, but I wish to know whether that person has the right to continue to be regarded as a judge? What is his status? Is he still a county court judge? I know this situation does not apply to the present chairman of the civil service commission who, on taking over that office, abandoned the right to the privileges that flows from the appointment as one of Her Majesty's judges in the supreme court of Ontario. I do not know whether that applies to his title. I think he bears the appellation "Mr." and not "hon. Mr. Justice". What I rose particularly to ask was this. What is the situation with regard to the particular assignment given to the individual who was a good county court judge and who I am sure is a man of great integrity, who continues to be regarded as a judge and continues to be called a judge, but who is administering an important position in a government department?

Mr. Fulton: The situation in that regard is not altogether clear, Mr. Chairman, and is one to which I hope to be in a position to bring some clarity at a time when I am able to present some general provisions revising the Judges Act in this regard. I cannot really say much more. If the hon. gentleman is really interested in following it up I might, with the greatest of good will, suggest that possibly the answer to the situation is within his knowledge or his ability to obtain because it arose during the period of time when the government of which he was a member was holding office.

Mr. Martin (Essex East): I do not want the matter to be left on that basis because I think on reflection the minister will regard that as not the way to leave it. It is true that the particular individual was appointed to this provincial post at a time when I happened to be in the government. The individual was appointed to this provincial post by a provincial government, and that appointment had nothing to do, of course, with his appointment as a judge, nominated for that purpose by a minister of justice serving the crown in the right of the federal government.

There is no law, of course, to prevent a judge duly appointed from taking an appointment of that kind. The minister may have some legislation in mind because he speaks about clarifying the situation sometime in the near future. It may be that the way to do it is by legislation, but it does seem to me that when we are so justifiably proud of our judicial system and of those who serve on the bench, whether in county court, district court or in superior court positions, we should be jealous about any act that in any way detracts from the dignity, the prestige and the authority of those courts and of those who sit in those courts. Of course the federal government cannot say to a provincial government, "You shall refrain from appointing a judge appointed by us to act in a purely administrative capacity". In the absence of legislative authority for that kind of direction the federal government cannot say that. It may be, as I said, that it will be necessary to provide that kind of enactment. The minister meets with attorneys general frequently, not only at constitutional conferences but on other occasions. It seems to me an effective way to deal with this situation is to have it clearly understood that judges are not to be used by federal or provincial executive bodies for that kind of purpose.

I am not now talking about sitting on commissions or boards. When I made my comment a few moments ago I did not express a view as to the merits. I was simply putting forward a statement for the purpose of ascertaining the minister's thinking in the matter. But appointing a judge to something that is not only extrajudicial but is entirely nonjudicial and nothing more than an administrative function is an altogether different matter, and I think it is a wrong use of experienced judicial personnel. I am not asking the minister to take steps now to cause something that has happened to be corrected.

However, I think it is only by a discussion of this kind that we can ascertain what is in the mind of the minister, and the discussion will serve to help him in the formulation of policy for the future.

I have no doubt that these things were done during the time that another government was in office, and I am not raising the matter in a critical way. The minister has said that during the time the present government has been in power and he has been Minister of Justice no judge of the Supreme Court of Canada has been used in any way that would place that judge in a position where he would be competing in a non-judicial function with some other person serving, let us say, on a board of arbitration. I think the minister is to be commended for that. I think that our supreme court judges in particular ought not to be used except in judicial functions so that they cannot be placed in a position where they are open to any kind of suggestion that has anything other than a judicial aspect to it. I raised the particular matter not because I expect the minister to correct the situation. He has said enough to satisfy me with regard to that situation, and it may be that this discussion will serve to encourage him to raise the matter when he discusses these questions further with the attorneys general.

Mr. Fulton: I appreciate very much indeed what the hon. member has said. I think he and I share the same approach to this problem.

Mr. Howard: Before we carry this item, would the minister explain what is the substantive law of divorce that applies in the Northwest Territories and also the Yukon?

Mr. Fulton: In the statute that set up the Northwest Territories in 1870, I believe, the effect was that the matrimonial causes act then in force in the United Kingdom was made applicable in the Northwest Territories.

Mr. Howard: Did I understand the minister to say that this was contained in a statute establishing the Northwest Territories?

Mr. Fulton: Yes.

Mr. Howard: It says in the statute that the law of divorce will be that of the United Kingdom?

Mr. Fulton: In effect, the laws of England as in force at the 1st of July, 1870, shall apply in the Northwest Territories to the extent they are applicable and are not excluded by special provisions of the laws of Canada. Similarly, when British Columbia entered confederation the same general situation was brought about. There was a provision in a statute at the time of entry into confederation which had the effect of making applicable in British Columbia the laws of England as they were in force at certain dates.

Mr. Howard: Did I understand the minister to say that it was the statute which provided that British Columbia would have certain divorce laws? I understood it to be a court case.

Mr. Fulton: I had not intended to say that the statute made specific reference to divorce. The statute said that the laws of England in effect shall apply and, as a matter of fact, it took a couple of cases in the privy council to determine precisely what laws of England with respect to divorce and matrimonial causes were in effect then and were therefore applicable in British Columbia.

Mr. Peters: How many divorce cases have there been in the Northwest Territories in the past year and where were they heard?

Mr. Fulton: I do not have any figures on that because these are civil proceedings and therefore they do not come to my attention nor do I have any responsibility for them. I assume they would be heard in Yellowknife which is the judicial centre of the Northwest Territories and the place where Mr. Justice Sissons presides. Mr. Justice Sissons does go on circuit and I suppose he could hear a divorce case in a place other than Yellowknife but I do not know that he ever has. Yellowknife would be the normal place where these cases would be tried.

Item agreed to.

Combines Investigation Act—

171. Restrictive trade practices commission, $94,840.

Mr. Howard: Mr. Chairman, I think the practice followed last year and the year before, if not in other years, was that we dealt with the combines investigation branch and the restrictive practices commission under the same item, and I should like to follow somewhat the same approach. Under the activities of the branch I should like to raise again a specific and important matter relating to what is loosely referred to as the drug industry or the ethical pharmaceutical industry. I have dealt with this matter a number of times in the past, and recently a fair amount of publicity has been given to the activities of the Kefauver committee in the United States and also the statement of evidence by the director of the branch to the restrictive trade practices commission.

I should like to refer briefly to an article by Charles King which appeared in the Ottawa *Citizen* of December 11, 1959, in which he deals with certain statements by

Mr. Stanley Conder of the Canadian pharmaceutical manufacturers' association with regard to the prices of certain types of drugs, an exchange of comments between myself and Mr. Conder through the newspapers and statements I made in the house.

I want to point out first that the Canadian pharmaceutical manufacturers' association, according to the latest information I have, has some 60 pharmaceutical houses or companies affiliated with it and represents, by its own statement, 90 per cent of the industry in Canada. Mr. Conder made some comments about the profit picture of the Canadian industry. He pointed out that the average profit after taxes was 6.5 per cent which he said was "not out of line with the general economy".

The difficulty, of course, in dealing with whether or not that is a correct figure is that a large number of the drug companies in Canada are subsidiaries of United States parent companies primarily or in some cases of companies in other lands. Therefore the Canadian financial picture is hidden in the annual reports of the parent company and is not shown as a separate item, so it is not possible to deal with that particular point.

I would say that the drug industry of Canada is controlled primarily by parent companies in the United States although some of the parent companies are in Switzerland, the United Kingdom or France. Primarily though it is the United States drug industry which controls the drug industry in Canada. Therefore I think we are entitled to draw some comparisons between the industry in the United States in the light of its examination by various public bodies and the industry in Canada.

In June of 1958 the federal trade commission of the United States published what it called an economic report on antibiotics manufacturing which deals with profits in the industry. I wish to make only a passing reference to it before dealing with the Canadian industry. On page 216 there is a table showing the net profit as a percentage of assets for certain antibiotic and other pharmaceutical manufacturers from 1950 to 1956. In it are named the companies and figures are set out for their pharmaceutical operations as distinguished from their antibiotic operations, and as separated from the total consolidated financial picture if indeed proprietary medicines were dealt with also. It shows so far as pharmaceutical operations are concerned, under profits as a percentage of assets for the year 1960, that the company of Smith, Kline and French had a percentage profit of 74.5. I mention this company because it has a Canadian subsidiary. G. D. Searle and Company had a profit of 55.04 per cent. That company also has a Canadian subsidiary. Schering Corporation Limited had a profit of 50 per cent. There are other companies listed here but I picked those three out because they are parent companies in the United States with subsidiaries in Canada. The weighted average for 10 companies is 37 per cent, which is an increase of 10 percentage points over the picture in 1950 for the same companies, increasing from 26.3 per cent in 1950 to 37.5 per cent in 1956.

In Canada, as I say, it is a bit more difficult to pick out these particular figures. However, there are some figures available. With respect to the various companies, although not necessarily in this order, I mention the companies involved: Abbott Laboratories Limited; Ames Co. of Canada; Ayerst, McKenna and Harrison; Bristol Laboratories; British Drug Houses; Burroughs Wellcome & Co.; Canada Pharmacal Co.; Ciba Co. Ltd.; Cyanamid of Canada; Dymond; Charles E. Frosst; Hoffman-La Roche Ltd.; Frank W. Horner Ltd.; Eli Lilly Co.; Merck & Co.; Parke-Davis & Co.; Pfizer Corp.; Pitman-Moore of Canada; Poulenc; Riker Pharmaceutical Co.; Schering Corp.; G. D. Searle & Co.; Smith, Kline & French Inter-American Corp.; E. R. Squibb & Sons; Upjohn Co. of Canada; Winthrop Laboratories of Canada; and John Wyeth. Of these companies 18 are subsidiaries of United States parent companies. I am afraid there is no date on this particular publication, of the Canadian pharmaceutical manufacturers' association but I received it some time last year. So at least as of last year all but four of the companies I last mentioned were members of the Canadian pharmaceutical manufacturers' association, and that is what is shown with respect to the profit picture of the Canadian industry.

In its relationship with other industries in Canada, and this material is taken from the taxation statistics of 1958 of various types of manufacturing industries, it shows that the highest profit rate was for paper products being 10.8 per cent; that the second highest was for pharmaceutical products, being 10.5 per cent and that next in line was non-metallic mineral products, being 10.1 per cent. Perhaps a few other references will give an indication. Just taken at random from the table they show as follows:

Manufacturing industry	Profit rate %
Foods and beverages	5.6
Tobacco and tobacco products	7.9
Rubber products	6.3
Leather products	1.0
Textile products (except clothing)	4.2
Clothing	2.5
Wood products	2.7
Paper products	10.8

And so on.

From this we find that the pharmaceutical industry in Canada has the second highest profit rate, being second only to the paper products industry. From this I think we can therefore conclude that the situation is not, as the Canadian pharmaceutical manufacturers said it was or claimed, namely that their profit picture is not out of line with the general economy. I think we can conclude that in reality it is out of line with the economy to the extent of being the second highest and fairly close to twice as much as the other types of industries I mentioned. Of the number of companies to which I referred to a while ago, we find that 13 of them have a profit rate of more than 20 per cent and that six fall into the category between 10 per cent and 20 per cent. So of those in a position of having a profit rate of over 10 per cent there is a total of some 19.

I should like to deal with the argument advanced by the pharmaceutical industry that its high prices are justified and necessary on the ground that the industry makes extensive and large expenditures in the field of research and must recoup these expenditures on research as quickly as they can before the drug itself is replaced by some more efficacious drug made by another company or by the same company, and that they spend on research many dollars which result in nothing usable being developed. I think this argument about extensive expenditures on research is not a factual one and is not one of the major reasons why there are such high prices in the drug industry as I intend to show.

Again referring to the United States and their federal trade commission economic report on antibiotics for 1958 at page 205, we find some statistical information given by the federal trade commission. In this instance they do not identify the companies by name but merely designate them as company No. 1, company No. 2 and so on. For the period 1956, so far as salary and advertising expenses are concerned—and I will deal with this part of it first—as a percentage of the sales dollars, company No. 1 expended on selling and advertising 26.4 per cent of its sales dollars. Company No. 2 in the line expended 24 per cent on selling and advertising. On company No. 3 there is no information available. Company No. 4 expended 28.1 per cent; No. 5, 14.4 per cent; No. 6, 30.7 per cent; for No. 7, No. 8 and No. 9 there is no information available; No. 10, expended 14.4 per cent; No. 11, 14.6 per cent; No. 12, 8.5 per cent.

With respect to Canada the picture is somewhat the same. Without going into a long series of statistics about each of the companies I mentioned earlier I would say this. The average of all the companies I mentioned earlier is not quite 25 per cent. That is the percentage of their sales dollar which is expended on advertising, salesmen, detail men, direct mailings, supplying samples and the like. Perhaps I should give the committee the exact figure; it is considered that 24.93 per cent of the sales dollar is expended on selling, advertising, research, and so on.

If we calculate this in relation to the cost of goods sold by these companies, we find this averages out at 36.21 per cent. I think anyone would agree that this is a particularly high percentage of the sales dollar income to be expended on selling, advertising and promotional activities of the industry. I will relate this to research expenditures in a moment or two.

This matter has also concerned the Canadian medical association and is referred to in the Canadian medical association journal of September 3, 1960. At page 505 we find a portion of the report of the committee on pharmacy of the Canadian medical association, which reads as follows:

> The cost of drugs has been a matter of much discussion in recent months. There is no doubt that the pharmaceutical houses have made many contributions in past years to our ability to alleviate illnesses which in the aggregate represent an almost incalculable economic and humanistic gain to our community. There is some evidence to suggest that the return which they are receiving on their original investment is excessive.

Mr. Fulton: Mr. Chairman, may I ask the hon. member what he is reading from?

Mr. Howard: This is a reference in the Canadian medical association journal of September 3, 1960; it is volume 83, page 505.

Mr. Fulton: That is the document from which my hon. friend is reading now?

Mr. Howard: No, this is an excerpt taken from the Canadian medical association journal.

Mr. Fulton: Mr. Chairman, I am wondering what document my hon. friend is reading from, if he would be kind enough to say.

Mr. Howard: I am reading from a document, page 118, called "Material collected for submission to the restrictive trade practices commission in the course of an inquiry under section 42 of the Combines Investigation Act relating to the manufacture, distribution and sale of drugs by director of investigation and research Combines Investigation Act, Department of Justice, Ottawa, 1961".

Mr. Fulton: Mr. Chairman, I thank the hon. member for giving me the information. I have to raise a point of order. The hon. member is reading from a report on material obtained by the director of investigation and

research and transmitted by him to the restrictive trade practices commission.

On a number of occasions recently motions have been made in this house by the hon. member who has just spoke calling for the production of this report and the production of various documents that were before the director in the course of compiling his report. The house has decided that these documents should not be produced, and the motions in every case have been rejected by the house.

I recognize that some portions of this document, copies of which were supplied by the chairman of the restrictive trade practices commission to parties and persons whom the commission thought it might be appropriate to ask to appear before it, have found their way into the hands of the press. It is alleged that portions of them have been reproduced in the press.

However, I raise the point of order that in so far as proceedings or discussions in this committee at this time are concerned, it would not be proper to attempt to introduce any portion of that report, from wherever it may come, whether by reading from the report itself or by reading alleged portions thereof which have been reproduced in the press.

I take my position on that point of order on the basis of section 28 of the Combines Investigation Act, which says:

> All inquiries under this act shall be conducted in private, except that the chairman of the commission may order that all or any portion of any proceedings before the commission or any member thereof shall be conducted in public.

The house has taken the position that this is a document which should be kept private, and it is therefore not open to me, and I submit it is not open to any hon. member of the house or this committee, to seek to discuss that report or to attempt to introduce any portion of it into the record.

If it be argued by the hon. member that this position is not consistent, that a portion of a report which has been reproduced in the press and may therefore be read by hon. members of the house outside the house should not be excluded from proceedings in the house, my answer is that the only purpose for which these portions of the report could be read here must be for the purpose of discussing the report. Since the discussion of the report is in my submission out of order, it is not appropriate or in order to read the report or portions of it at this stage. I point out further, sir, that it seems to me to be a matter of judgment or, to use the words in May's Parliamentary Practice, a matter of "good taste" as to the extent to which a private member is permitted to read from documents which cannot be produced in the house.

In that connection may I emphasize that the report of the director, while it is impartial in so far as the director is concerned—his task in this kind of inquiry is not to make a case for or against any individual or group of individuals, but to report what he finds and his conclusions thereon and lay that report before the commission—at this stage it is a one-sided report because the parties had not been given the opportunity to present their cases in full.

When the time comes for the commission to hold its hearings, the commission, with the director's report before it, copies of which are supplied to the parties, invites the parties to make their comments. Then the commission's report is of course made public and at that stage we have a balanced report; the case on both sides is summarized.

The second ground of my point of order is the matter of the propriety or, as May says, "good taste" in permitting reference to this kind of document which, as I have said, is a one-sided document at this stage.

The scheme and purpose of the Combines Investigation Act, as appears so clearly in section 28 which I have read, is that inquiries by the director should be private and nothing should be published unless and until the chairman of the restrictive trade practices commission, in his sole discretion, decides that the hearings before his commission should be in public; otherwise nothing is published until the commission makes its report. Then, by the statute, that report is required to be made public.

At this stage, therefore, with respect to the report of the director it is my submission that it is not in order to read from it or to read purported extracts from it, because it is not a document which can properly be before the House of Commons at this stage, and the house on three separate occasions in the very recent past has so decided.

Mr. Howard: Mr. Chairman, I wish to point out with respect to this particular document that it is true a motion was made and the house rejected the motion to table a document called a report of the director regarding the pricing and selling policies of certain pharmaceutical houses in respect of new types of drugs, if I recall the words correctly. I have used them so often recently that they are almost as familiar as my own name. It is correct that the House of Commons decided it should not be tabled, but I submit, with respect, that this decision under which the Minister of Justice was not required to table the document does not prevent any hon. member reading from that particular document.

We hear continually in this chamber hon. members reading from correspondence and documents of a like nature which are considered to be private. Some years ago a famous debate arose about horses on the payroll. That involved a private document, yet references were made to it and extracts were read from it by various members, including members of the Tory party. There is no ground for a point of order being raised here. I am not infringing any rule of the committee, unless it be said that I am reading a speech, but I would point out that I endorse the point of view expressed in whatever observations I do read, and, in any case, I am not reading from the report of the director himself but from a photostatic copy of that report, if hon. members want to get technical about it, reproduced in a publication which is in the public domain.

Not long ago—I believe it was a week ago Wednesday—the House of Commons agreed to a motion of mine—and the parliamentary secretary to the minister said it was fine and dandy—that a list of documents and publications to which the public has access, with bibliographic reference to material perused or used by the combines investigation branch should be produced, and this is undoubtedly one of the published documents used or perused by the combines investigation branch. As I say, the house has already ordered that we should be furnished with such a list together with bibliographic references. The only condition attached to it was that it was not to be taken that any publication so listed or any of the bibliographic references were necessarily contained in the report itself.

All I am doing in this instance is to read from a document entitled the Canadian medical association journal. The public has access to this particular publication, and I am reading from it, even though the actual words are not written by the journal itself but are reproduced from it. I submit, on these grounds, that there is no substance in the point of order.

Mr. Martin (Essex East): I should like to make a few comments on this point of order, but before I proceed to do so may I take this opportunity to express the hope that the hon. member for Spadina, the assistant Deputy Speaker, will soon be able to return to this house. I mention this not because you are in the chair, sir, but simply because I happen to have visited the hon. member yesterday. While I express this hope, I want you to know, sir, that we have every confidence in the person who is occupying the chair at this moment.

[Mr. Howard.]

I rise to support the position taken by the hon. member for Skeena. The votes which have taken place in this house are not involved in this particular dispute. The house has voted on three different occasions that the minister should not be required to produce the particular report in question, nor should he be required to table it. That is not the point at issue at the present time. The minister quotes, in support of the position he takes, section 28 of the Combines Investigation Act which reads as follows:

> All inquiries under this act shall be conducted in private, except that the chairman of the commission may order that all or any portion of any proceedings before the commission or any member thereof shall be conducted in public.

That section does not in any way affect the nature of the dispute between the hon. member for Skeena and the Minister of Justice. That section deals with the in camera character of the proceedings of the commission. It does not preclude any publication of the proceedings of the commission, and certainly it in no way affects this committee of supply. It is a provision which is confined entirely to enquiries held under this act.

The document in question has been made public as a result of action taken by the chairman of the commission—

Mr. Bell (Saint John-Albert): That is not right.

Mr. Martin (Essex East): Am I wrong in that?

Mr. Fulton: I would take issue with it. This was made public, apparently, by some of those to whom the commission had sent it on a private basis.

Mr. Martin (Essex East): I accept the correction. However, it was put in the hands of a number of people and it became a public document and was referred to in the press. Now the minister has taken the position that a document which is at the present time, in its essentials, public property, cannot be referred to in this committee by the hon. member for Skeena, that it cannot be dealt with in the way in which he is endeavouring to deal with at least part of the report. I cannot agree with the contention advanced by the minister. I think the hon. member is perfectly justified in discussing in this public forum a report which is now public property, and it would seem to be that for the minister to take the attitude he does is unusual, particularly if we bear in mind that on another occasion the Prime Minister had no hesitation in disclosing in this house what admittedly was a secret document, namely the so-called economic report which he revealed so brazenly in 1958.

Mr. Fulton: And tabled.

Mr. Martin (Essex East): And which he had tabled; a confidential document, a document which had not been the property of the public. But the Prime Minister had no hesitation in taking that confidential document and using it for the purpose which served him at that particular moment.

The hon. member is referring here to something which has become a matter of public concern and public knowledge. This being the case, he seeks to take advantage of the fact by discussing in this chamber what he could go out and discuss in any public hall at any time. If the hon. member were to take this report and go down to the Chateau Laurier and call a public meeting in the ballroom to discuss this report, no one could stop him. Yet because of milieu in which we find ourselves, he is denied the opportunity to do something he could do at any time outside this chamber. If the Minister of Justice seeks to set aside my argument on the ground that he can not be compelled to table the report, I say that the decision of this house was not that the report should not be discussed but simply that the minister should not be compelled to produce it. That was the decision which was made, and it is defensible, although I do not myself agree with it. It is defensible because the minister is the minister to whom the chairman of the commission is responsible. He argues that in these circumstances the position he must take in respect of these matters until they reach finality is a neutral position. That would be a legitimate argument for the minister to use in connection with the production of a document and it was, in a sense, the argument which he did use at the time. But it does not in any way affect this situation and the right of the hon. member for Skeena.

So, Mr. Chairman, I suggest to you that it is clear that the hon. gentleman should be allowed to discuss this report just as much as he would be allowed to discuss it outside this house, and just as much as editorial writers, radio commentators and others are discussing this report, which has come to them, in the way which we have already mentioned it has come to the public. For those reasons I strongly support the position taken by the hon. member for Skeena.

Mr. Fulton: Mr. Chairman, I should like to say one or two things in this regard. There is one point which I do not think emerges as clearly as I should like, from what I first said. Perhaps first I may be allowed to make a correction, with which I am sure the hon. member for Essex East will agree, in that he said the minister was responsible to the restrictive trade practices commission. It is my understanding that the responsibility is the other way.

Mr. Martin (Essex East): That is right, certainly.

Mr. Fulton: Mr. Chairman, in the consideration which I asked the committee to give to the point of order raised, I ask the committee and you to include this fact. At page 460 of May's sixteenth edition, it is stated that a minister may not cite a paper or document which he is not prepared to table. If, then the situation is that it is not proper to table a document, a minister is unable to discuss it. Therefore I am in a position where I am unable to discuss this document, for I think it is quite clear that I would be in breach of the spirit as well as the letter of the statute which I am responsible to administer if I were to discuss this document at this time. I am precluded from discussing it, as May has pointed out at page 460 and page 461. I suggest hon. members are also in this position, although greater latitude has been permitted in this regard to members than to ministers of the crown.

Since, in my view, this document should not be tabled because it is private, and the house has supported that principle by its decision, it seems to me the hon. member should not discuss it. Whether he does or not, I cannot discuss it, and it seems to me, therefore, that the committee and you, Mr. Chairman, should give some consideration to the question as to whether it is in accord with the rules and customs of this house that reference should be made to an extract from a document which should not be discussed, and which I cannot answer during the consideration of my estimates.

Consideration should also be given to the principle of good taste, quite apart from the fact that the report itself at this stage does not present a full picture, but only one side. Is it proper that an hon. member, into whose possession a photostatic copy of this document has come, should be permitted to discuss it when it is not a matter which I am able to discuss in the consideration of my estimates at this stage? That is the third reason, in my submission, why this document should not be read into the record or tabled before this house at this time. I suggest when the whole inquiry has been concluded and the commission has made its final report, then the matter can be discussed and will in fact be discussed in public. To discuss it at this time, I submit, would result in a one-sided presentation, and I suggest the committee should ask itself very carefully whether that would be proper. In addition

to that, I suggest it is not in order for an hon. member to read from a document which cannot be tabled.

Mr. Martin (Essex East): Mr. Chairman, I should like to make one statement regarding—

The Acting Chairman (Mr. Chown): I recognize the hon. member for Skeena.

Mr. Howard: Mr. Chairman, apart from the suggestions made before, I feel the minister is raising another consideration under this point of order, and is in reality prejudging his own decision of some future date. He has said on this occasion, as well as on at least one other occasion in this house, that the report of the restrictive trade practices commission will be made public. I suggest that is not necessarily the case. The act gives the minister the authority to make that report public if he deems it in the public interest to do so. I should just like to correct him in that regard. The minister at this stage is not in a position to prejudge his own opinion in regard to a report which has not been completed, and which he has not seen as yet. I suggest his statement in respect of tabling the report should be qualified to the extent that, if within 30 days of the time the report is completed he deems to make it advisable to make it public, it will become public.

Mr. Martin (Essex East): Mr. Chairman, when the minister referred to the citation from May, he did not identify it, and I was not, therefore, in a position to understand it. Since that time the Solicitor General has sent me a copy of the sixteenth edition of May. While I do not complain about anything the minister has read from May, I think it is important that the concluding paragraph in May under the title "Citing Documents Not Before the House" ought to be placed before Your Honour. That paragraph reads as follows:

> Members not connected with the government have also cited documents in their possession, both public and private, which were not before the house:

Therefore, there is—

Mr. Fulton: Would the hon. member read the rest of the paragraph?

Mr. Martin (Essex East): I intended to and I shall. I suggest, therefore, there is strong precedent for what the hon. gentleman has done today.

[Mr. Fulton.]

As the Minister of Justice has requested, I shall read the rest of that paragraph, which is as follows:

> —but though the house is equally unable to form a correct judgment from partial extracts—

That is what we have today. I continue:

> —inconvenient latitude has sometimes been permitted, which it is doubtful whether any rule but that of good taste could have restrained.

The matter is not laid obviously to a decision of the Chair, because there is no rule that has been contravened as a result of the action taken by the hon. member. It will simply have to be determined whether the action taken by the hon. member today is in good taste. On that score, I suggest that is a matter which the hon. gentleman has to decide, and which the house is not given authority to decide because it does not involve any violation of any rule, as May points out. I simply repeat that what the hon. gentleman has done today, any persons outside this house could do, and are doing now through different agencies of one kind or another.

The Acting Chairman (Mr. Chown): I should like the minister to assist me in respect of one point. At page 500 of *Votes and Proceedings* there appears a motion of the hon. member for Skeena for the production of specific documents. I should like the minister to confirm my impression, that the motion which appears there has regard to this particular report?

Mr. Fulton: Yes, the motion of the hon. member for Skeena was, that an order of the house do issue for a copy of the statement of evidence by the combines investigation branch regarding the selling and pricing policies of certain pharmaceutical houses in respect of certain new types of drugs. The vote of the house in respect of that motion was 37 in favour and 148 against, as reported in *Hansard* of May 3, 1961. This is the document to which that motion referred.

Perhaps I may take the advantage of this moment to say one or two more things in this regard. I rest my case on the matter of good taste, as covered in the passage from May, as read by the hon. member for Essex East. My case in this regard is, whether it is in good taste to read from a document in light of the fact that all we can get is a one-sided presentation in respect of which I am not at liberty to participate in the discussion.

I should also like to assure you, Mr. Chairman, that there is a distinction between the situation involved in the tabling of the economic report, referred to by the hon. member for Essex East, and the tabling of this report, because the Prime Minister took the position that the confidentiality of that

document no longer existed, and therefore no objection could be taken to its being tabled. Therefore, that document was properly laid before this house.

Mr. Martin (Essex East): That document continues to be confidential.

Mr. Howard: Mr. Chairman, in respect of the point raised by the minister, I should like to suggest that I am trying to present a one-sided case; the people's side. I do not advance this as having any actual bearing on your ruling, Mr. Chairman, or on the point of order, but I would point out there is some doubt whether the document from which I am reading is actually the document with which the motion dealt. I do not think it is particularly important because, if I can quote it correctly, the motion referred to the statement of evidence by the director of investigation and research regarding the selling and pricing policies of certain pharmaceutical houses in respect of new types of drugs. I have not it exactly before me but I think I have given the gist of the motion.

I have not a statement of evidence before me. What I am quoting from to identify the document for the minister is "Material collected for submission to the restrictive trade practices commission in the course of an inquiry under section 42 of the Combines Investigation Act relating to the manufacture, distribution and sale of drugs by director of investigation and research, Combines Investigation Act, Department of Justice, Ottawa, 1961". The comparable words are "the director of investigation and research". These words are mentioned both in the motion and on the front page of this particular document. This does not mention certain pharmaceutical houses, as does the motion. In the identifying sheet it makes no reference to certain pharmaceutical houses. The document I have here does not relate to what are known as new types of drugs. It refers to the manufacture, distribution and sale of drugs.

May I emphasize this in another way and refer to what is known as the preface dated February 28, 1961, signed by D. H. W. Henry, director of investigation and research. To avoid any misunderstanding may I emphasize that this is not a report under the Combines Investigation Act. It is a statement of material collected and analysed by the director of investigation and research for the purpose of being laid before the restrictive trade practices commission in the course of an inquiry under section 42 of the act. The text of section 42 is set out on page 1 of the statement and provides that the commission is required:

> ... to consider any evidence or material brought before it ... together with such further evidence or material as the commission considers advisable and to report thereon in writing to the minister.

The preface goes on to talk about the present director's predecessor, Mr. MacDonald, and so on, but nowhere is there any reference to certain pharmaceutical houses or to new types of drugs nor to the selling and pricing policies of certain houses but merely to the manufacture, distribution and sale of drugs. I cited this only because a question was raised whether this was the matter referred to in the motion which I submit is not too relevant, anyway.

Mr. Fulton: Mr. Chairman, it is perfectly clear that this is the only report prepared by the director. Its correct title is, "Statement of Material". It is the only document that he has placed before the commission, and by one of the sections of the act this investigation is made an inquiry, and that is what is referred to in section 28 as the thing which should be conducted in private. All inquiries are to be conducted in private. This is the only document. I do not think my hon. friend from Skeena really quarrels with my suggestion that all of us all along have known that this is the document which was the subject matter of the motion which was placed before the house on an earlier occasion.

The Acting Chairman (Mr. Chown): I start with the premise that the Chair is under the control of the house. On Wednesday, May 3, a motion for the production of a report, which I am satisfied has been identified as this report or part of a larger report, was rejected by a vote of 148 to 37. Therefore, this puts the minister in the position where any reference by the hon. member to this report cannot be commented on by the minister. I refer the committee to Beauchesne's Parliamentary Rules and Forms, fourth edition, citation 159 (2), which reads:

> 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 is prepared to lay it upon the table. This restraint is similar to the rule of evidence in courts of law, which prevent counsel from citing documents which have not been produced in evidence.

I take it that the point made with respect to the matter of not being in good taste is something which is also worthy of consideration. I go back to my original point that the Chair is in the hands of the house. On an earlier occasion the house came to a decision and accordingly I must rule that any reference to the document by the hon. member concerned is out of order.

Mr. Howard: Mr. Chairman, you are coming to the conclusion that the document from which I am reading is the same document which the house said would not be tabled. The minister may think it is but I for one do not. However, I shall abide by your ruling

and I will not quote from the document itself in the house, although I gather I am at liberty to quote from it outside, if I so desire, as well as anyone else who wishes to do so.

If the minister is at a disadvantage now in being unable to table the document I have no objection at all to tabling it. I make it available freely to anyone. I will table it and the minister will be at liberty to discuss something that is before the house.

In any event, I would point out with respect to the high expenditures of the drug industry on selling and advertising, this has been of great concern to the Canadian medical association. At its annual meeting last year the Canadian medical association received a report from one of its committees, I believe the committee on pharmacy, and this report referred to the excessive charges of the pharmaceutical manufacturing industry. The committee on pharmacy of the Canadian medical association was of the opinion that far too much expenditure was being made by the pharmaceutical industry, in selling, in promotional advertising and in gimmicks such as recordings and the like with a nursery rhyme on one side and a plug for one particular brand of pharmaceutical on the other. All of the other costs such as reproduction of oil paintings, paper weights, pencils, knives, office material and the like are considered by many members of the medical profession and by the association to contribute toward the high cost of drugs and to constitute one of the main reasons why high prices are charged to the consumers.

With reference to the expenditures on research, I should like to refer to a document which is in the public domain. It is published by the federal trade commission of the United States. I refer to the economic report on antibiotics manufacture. I would point out that in substance there is no difference whatsoever between the federal trade commission report in the United States in so far as its connection with companies and the like are concerned and the particular document to which I referred and which you ruled, Mr. Chairman, I could not use. This is precisely the same kind of document. Apparently in the United States it is O.K. to have these things made public but we want to be a bit more secretive in Canada.

Let us look at the expenditures on selling and advertising of some of the companies mentioned. Company No. 1 spent 8.1 per cent on research. The committee will remember that earlier I said it spent 26.4 per cent on selling and advertising. It spent three times as much on selling and advertising as it did on research. Company No. 2 spent 3.9 per cent on research and 24 per cent on selling and advertising. In other words, the amount of money spent on selling and advertising was more than six times the amount spent on research. For company No. 3 the information is not available. Company No. 4 spent 7.9 per cent on research compared with 28.1 per cent on selling and advertising. Over three times as much was spent on promotional gimmicks and through expense accounts and so on as was spent on research.

Mr. Skoreyko: Would the hon. member permit a question? Would the hon. member agree that a great deal of the cost of selling and advertising is absorbed by the wages of salesmen?

Mr. Howard: What my friend is now doing is asking me to refer to a document to which I am prohibited from making reference. My information is taken from the report of the federal trade commission and all I can say is that there is no differentiation made between salesmen's wages and so on. It is all lumped together as selling and advertising, and I am not able to answer that question by referring to this document. If you would agree to reverse your ruling, Mr. Chairman, and allow me to refer to this other document, I could give that information without any difficulty.

What is the picture in Canada? The picture in Canada is that in the main the pharmaceutical industry spends practically nothing on research. In company after company what is the percentage of the sales dollar that is spent on research? One per cent, 1½ per cent, 1¾ per cent. For the 27 companies I mentioned earlier an average of 1.21 per cent of the sales dollar is spent on research compared with approximately 25 per cent spent on selling and advertising.

They also claim that expenditure is necessary for what they call quality control to ensure that the consumer gets the best possible type of product, that the product is of the purest quality and the most efficacious in the treatment of the ailment for which it is prescribed. Again, the Canadian pharmaceutical industry spends in some instances three quarters of 1 per cent of the sales dollar on quality control. Some of the companies spend nothing on quality control. The average is somewhere in the neighbourhood of 1 per cent of the sales dollar which is spent on quality control. If I may quote again from the December 11, 1959, issue of the Ottawa *Citizen,* this is what Stanley Conder of the Canadian pharmaceutical manufacturers' association says is "a very, very costly proposition". Approximately 1 cent of the sales dollar goes into quality control to ensure that the public is protected and gets the purest drugs. One cent is spent

to ensure the safety of the public while 25 cents is spent by the manufacturers to ensure that they bamboozle the doctors into remembering the particular brand name of a pharmaceutical.

There is another phase to this matter with respect to why this situation has come about. Hon. members will recall that I mentioned that our drug industry is controlled by the drug industry of the United States. The patent picture also shows that is the case. I should like to make reference to the patents held by the United States companies if I may. I have here an order for return which is referred to in *Votes and Proceedings* No. 30, page 195, for February 24, 1960. I had asked who held certain patents and there are 15 pages of information here. There is no need to go into them extensively. I would point out that in each and every instance the patents for the so-called wonder drugs or antibiotics are held by the parent companies in the United States regardless of whether or not they have Canadian subsidiaries. I note that Merck and Company, for instance, of Rahway, New Jersey, holds a total of 30 patents on the drug or pharmaceutical known as streptomycin. Charles Pfizer and Company of Brooklyn, New York, holds nine patents on the same drug. When it comes to tetracycline, one of the broad spectrum antibiotics and an important base for a lot of these drugs, Charles Pfizer and Company of Brooklyn holds nine patents, American Cyanamid of New York holds 18 patents, Bristol Laboratories of East Syracuse, New York, holds five patents, and so on.

All the way down the line, for pharmaceutical after pharmaceutical the control is concentrated in the hands of these companies in the United States. Because of patent control, which puts the company holding the patent in somewhat of a monopoly position, these companies are able to charge higher rates for their products than they normally would.

I should like to place on the record some figures giving a comparison of prices paid by the Department of Defence Production in purchases it has made with the prices that the consumer has to pay for the same drug. This information was given in answer to questions of mine during the last session of parliament. I do not have the return with me but it is easily obtainable by reference to the *Journals* of the house. I should like to give one or two examples of the cost to the Department of Defence Production compared with what the consumer has to pay.

At the top of the list there is a drug known as tyrothricin with benzocaine lozenges. The manufacturer is Merck, Sharpe and Dohme and the brand name under which the consumer buys the product is tyrozets. In October, 1959, the Department of Defence Production paid 22 cents per vial of 12 for these lozenges while the cost to the consumer was $1, or almost five times as much. The difference between the retail price and the price paid by the Department of Defence Production for this same pharmaceutical or drug is 454.5 per cent at the retail level and 272.7 per cent at the wholesale level.

You can go down the list and pick out others that are used regularly and which show precisely the same picture. Perhaps I might refer to one that has been in the news recently because of the activity of the food and drug directorate in issuing some suggestions about its possible misuse. I refer to a drug called chloramphenicol. It is a Parke Davis preparation and its brand name is chloromycetin. In November, 1959, the Department of Defence Production purchased this product at a price of $11.25 for 100, 250 milligram tablets. The cost to the consumer for the same pharmaceutical was $56.70 per 100 tablets. This is a retail difference of 504 per cent or 302 per cent at the wholesale level.

As I said, Mr. Chairman, I do not want to mention all of those that are shown here but I would point out that substantially the same picture is evident throughout. The difference ranges from 200 per cent to 400 per cent or 520 per cent.

Mr. Browne (St. John's West): What was the name of the drug to which the hon. member just referred?

Mr. Howard: Chloromycetin.

Mr. Browne (St. John's West): How do you spell it?

Mr. Howard: C-h-l-o-r-o-m-y-c-e-t-i-n.

Mr. Browne (St. John's West): I am sorry; I thought the hon. member said something else.

Mr. Howard: The nomenclature is a little bit difficult for a layman to get his tongue around sometimes, and it may have sounded like something else.

Here is another example I point out in order to show that there are differences in price and that it is possible to sell these pharmaceuticals at a lower price. If I may, I want to refer to the federal trade commission economic report on antibiotics manufacture of 1958. At page 192 there is a table headed: "Broad Spectrum Antibiotic Prices—16 250-milligram capsules". These are of the same class of drugs. I think this is an important table to which to refer, Mr. Chairman, in so far as the United States is concerned. As I said,

because of their corporate control and their patent control the Canadian picture is influenced to a great extent or perhaps almost exclusively by the picture of these companies in the United States.

At September 27, 1951, according to the reference here, a drug called terramycin was sold in the United States to the retailer at the price of $5.10 for 16 capsules and was sold to the consumer at the price of $8.50 for 16 capsules and that situation continued from then on in October, 1951; November, 1953; April, 1954; September, 1954; October, 1954; December, 1955; and December, 1956. It is shown during those same months to which I have just referred that other similar types of broad spectrum antibiotics entered the market at exactly the same price or were sold to the retailer at $5.10 and at $8.50 to the consumer. The report lists these drugs by their names. I think the conclusion to which we can come is that since September 27, 1951, the price range has not varied one penny even though there have been tremendous increases in sales of this type of antibiotics Even though other companies entered the field with the same sort of antibiotic under a different brand name, they entered the market at the same price that was established as of September 27, 1951. This will lead one to believe that there is relatively little room for price differentials or competition to take place at least in the broad spectrum antibiotic field. I think all this leads us to assess what this means in terms of a consumer in Canada. How about the individual who has a prescription in his hands and walks into the drug store? How is he concerned or how is he affected by the activities of the drug industry?

I wanted to be able to put into the record a bit more information in this particular field so it would not appear that it was in bad taste, as the minister said. However, I am now prevented from doing that and attempting to balance the picture out, even though I think the document I have here is not the one to which the minister referred. The names are certainly different on it. But in any event, I am prevented from doing that, Mr. Chairman. Nevertheless I think there are certain conclusions that can be drawn in a general way. I think this is advantageous because this matter requires some public discussion, in my opinion; and the more public discussion there is about it, the more possibility I believe there is of drug prices declining. Some newspapers in the country have conducted surveys in this regard, and with respect to some types or classes of pharmaceuticals in the ethical pharmaceutical industry there have been reductions in prices within the last year and a half or two years, whereas for some considerable time previously there were no reductions in prices. I found this statement to be substantiated by having talked with two separate individuals who are pharmacists and whom I know. They also pointed out that they have noticed this fact in the various price lists they get from time to time from the pharmaceutical concerns, namely that in the last year and a half or thereabouts, so far as some drugs are concerned, there has been a decline in the price charged by the manufacturer.

I am sure that this is to a large extent the result of the activities of the Kefauver committee in the United States and the publicity that has been attached to the inquiry that has been conducted in Canada by the combines investigation branch, and the attendant publicity that was given to some of the material contained in that particular statement of evidence.

I think my time is running short at the moment. Rather than proceed to deal with my conclusions drawn from the information I have been able to obtain, perhaps I should leave my remarks stand there at the moment. There may be another opportunity, following the comments of other members who are interested in this field or a statement by the minister, for me to rise and draw some conclusions from some of the things that have been said.

Mr. Peters: As I listened to the discussion on this item I have been wondering whether there is not something wrong having regard to the delay over a long period of time that has taken place with regard to the investigation into the drug industry, as with a number of other investigations. The one into the drug industry has been of more than three years' duration now and we have not yet reached the point at which there is available a report which would give some factual knowledge to the general public of what is going to be done in this particular field.

Discounting the one advantageous thing that has come from the investigation, it would seem to me that there are many disadvantages attached to such prolonged discussions in this particular field. The one advantage, of course, has been mentioned by the hon. member for Skeena. It lies in the fact that there has not been any major increase in drug costs over the period of the investigation and that the field has been relatively stable over that period of time.

It is also a fact that many segments of our population have been and are plagued with what they consider to be abnormally high drug prices or costs. Many of the drugs that the old age pensioners receive are a positive necessity to them. They are not just drugs

they may like to have such as antihystamine and other extremely expensive drugs that we sometimes take for colds. After you have taken them you wonder whether you have not thrown your money down the drain and whether the cold might not have been cured if you had not taken them. Many of the drugs that old age pensioners have to take are expensive. Some advantage would accrue if the investigation report had been available and had pointed out the weaknesses in our administration of drug prices and I am sure would have recommended some reduction to the people who are dependent of these drugs. As the minister has pointed out, the inquiry has not proceeded to the extent that any suggestions can be made by his department. However, I think some suggestions can be made by the average citizen.

In this connection I think consideration of these prices is a matter of government responsibility and the government could give assistance in this regard. In some cases the government could manufacture certain types of drugs and thereby greatly reduce their price. I am thinking of such drugs as those which are necessary for prolonging life, insulin, blood-clotting drugs, drugs that are used in the treatment of arthritis and rheumatism, and so on. In this connection I include cortisone and those vaccines which are proving effective at the present time; Salk vaccine and others. Many of these drugs could probably be manufactured under government auspices, and certainly in some cases under government licence. This would make it unnecessary to spend 25 per cent or 30 per cent of their total cost on advertising and promotion.

There are not very many people who have not at some time gone to a doctor and seen the elaborate promotional schemes that are used by some of the drug companies; the fancy containers that the drugs are packed in; the effort that is used to boost the sales of a particular company's drug over that of a competitor.

Drugs which are essential to life itself could, in my opinion, quite easily be manufactured either under government licence or by a government agency. This would eliminate the necessity of high advertising and promotional costs which raise the price of drugs by 25 per cent or 30 per cent.

It is true that there is some competition in drugs. I received a letter from an old age pensioner the other day. He is taking a patented drug. I am not sure of its name; I have never heard of it before. In pricing it around town he found the price ranged from 35 cents to $1.25. He is an old age pensioner; it is necessary for him to have this drug and he must buy it as cheaply as possible because his pension is not very large.

I wonder whether there is not a little profiteering on the part of some of the retail outlets for some of these drugs, in view of the fact that a drug can range in price from a low of 35 cents at a chain drug store to a high of $1.25 at another drug store.

I should like to point out that it may well be the department is much too slow in making these reports public. Those conducting the inquiry are much too slow in making a final report. There should be an interim report, which would offer some assistance in relation to the price of drugs at the present time. After an interim report had been made, the matter could be studied further. In other fields we have interim reports which refer to specific matters and I think this is one field in which this could be done, particularly in regard to those drugs that are essential to life itself.

I make these suggestions, Mr. Chairman, in light of the fact that I have received letters from many of my constituents condemning the high prices they pay for drugs, and the fact that with the very limited amount of money which they receive, old age pensioners, for example, cannot really afford these high price drugs. For this reason I think consideration should be given to this aspect of the problem. The research director has given consideration to this matter and may now be in a position to report on it. I think the situation warrants a report in the very near future in order that something may be done, if only in a limited field.

Mr. Fulton: Mr. Chairman, I have been a little reluctant to be drawn in, as it were, as third man in this combination which has reminded me of the old combination of Tinker to Evans to Chance. In this case it has been from Skeena to Timiskaming and back to Skeena again.

However, I think I should make a few comments, if only for the purpose of pointing out that at this stage there is nothing I can say about this drug inquiry for reasons which I indicated in the course of the discussion of the point of order.

The matter has been looked into by the director. A lengthy document has been presented by him to the commission and the matter is now before the commission for hearing. Not only, then, is it improper for me to discuss anything which is contained in the director's statement of material, but I think it would be untimely for us to make a decision now and for me to attempt to tell the committee what conclusions the government has arrived at and what it intends to do,

because we are not yet in possession of the report which will ultimately be provided to us in accordance with the provisions of the act. I refer to the report of the commission. This report will be provided when all the inquiries and hearings have been concluded.

At that time I hope and expect we will receive a report that will be helpful, based on the complete study which the act contemplates, and not on a partial consideration, which is all we have before us at the present time. We naturally would be expected to look into the matter in the meantime and I can assure the committee that this is being done, to see if there emerges from what is now available anything that really indicates that something could be done in the federal field without waiting for a further report.

There may be one or two particular aspects where the results of our consideration may suggest courses of action, but these, I submit, would be of an interim nature. Before it would be sensible for us to make up our minds as to the comprehensive action we should take, surely we should wait until we receive the over-all report which covers the whole field.

Certainly these inquiries take a long time. I am not happy about this; no one is happy about it, but they are pressed with all dispatch in the light of other work and other inquiries which come before both the director and the commission. I have not in my possession the information as to the actual length of time taken by the F.T.C. study in the United States, but it is my impression that it was a lengthy study. Certainly the committee in the United States of which Senator Kefauver is head has been working for at least two years and there has been as yet no full report. Indeed, I understand that in the United States nothing by way of executive action has emerged even as yet from the F.T.C. report, with the exception, I believe, of one prosecution in connection with Salk vaccine.

As will be appreciated, the situation in this country with respect to Salk vaccine is not at all the same as it is in the United States. The prices of Salk vaccine are pretty well controlled by the fact that the Connaught laboratory is at least the prime mover in the field although it does not actually control the whole field.

Mr. Martin (Essex East): And the institute of microbiology of Montreal.

Mr. Fulton: My hon. friend from Essex East reminds me that the institute of microbiology of Montreal is also engaged in that field. I say this not in the way of boasting of the fact that these inquiries take this long, but simply to ask hon. members to realize that a proper sense of proportion suggests that inquiries of this kind in other countries as well as in Canada are necessarily time consuming, and even after they are concluded it is not possible to take startling and widespread action in a matter of days or weeks. We shall, however, be looking forward with interest to the report of the commission, at which time we shall be able to ascertain what action it is proper to take to deal with whatever problem is outlined in the over-all field and, I repeat, if in the interim a study of the material now available enables me to make any useful recommendation to my colleagues as to what could be done on an interim basis I shall do that, and I have arranged that the material should be studied, from that point of view. This study is going on now.

Mr. Howard: Before this item carries, may I say I can appreciate that these matters do take a considerable period of time to examine and study. Perhaps other hon. members will now appreciate why it sometimes takes a long time to talk about this in the House of Commons.

Mr. Churchill: I wonder if the hon. member will permit a question. In a house with a present membership of 261, does he realize that on Thursday and Friday of this week he occupied approximately 25 per cent of the time spent examining the estimates of the Department of Justice, and perhaps he has been doing the same today? I wonder if he thinks that is fair to the other members of the committee?

Mr. Martin (Essex East): On a point of order, Mr. Chairman, I am not rising now to defend the hon. member for Skeena or to confirm the validity of the things he has said over the past two days, though I do not quarrel with him on what he has been discussing now. But I do strongly take the position that it is not in order for an hon. member, and particularly a minister of the crown, to rise and complain about the length of time taken by a member of parliament in discussing the items brought before this committee. If any hon. member wants to catch your eye, Mr. Chairman, he has that privilege and he will catch your eye. This is certainly an indication of the growing arrogance of this government—

Mr. Churchill: Steady, now. Hold yourself to the point.

Mr. Martin (Essex East): —when one of its ministers rises to complain about the participation in the debate by a private member of this house.

An hon. Member: He only asked a question.

Mr. Martin (Essex East): The hon. member against whom the complaint has been made does not belong to my party, but I believe so strongly in the value of this house that I would fight for the rights of any member, including private members supporting the government, and for the minister to complain because an hon. member has discharged his responsibility as he sees it, is, I contend, an indication of the increased arrogance of a government which is growing in public disfavour.

Mr. Churchill: That is a lot of nonsense. I was making no complaint about the hon. member exercising his right to speak. I was speaking on behalf of the other members of this committee who should have the opportunity to take part in a discussion of the estimates of this department.

Mr. Howard: Yes. I cannot help it if the minister's supporters are hesitant and bashful in approaching these matters and if they do not want to engage in an examination of the workings of the department. If the minister wants to have a bunch of silent Sams or rubber stamps behind him, that is for him to decide.

An hon. Member: There are no rubber stamps behind the minister.

Mr. Howard: What did the Prime Minister say the other day about inveterate babblers? In any event it applies to the hon. member for Saskatoon, I can say that.

Mr. White (Middlesex East): On a point of order, I think the hon. member should withdraw the statement that we are a bunch of rubber stamps. It is not true.

Mr. Howard: I think that there is a certain amount of special concern attaching to the activities of the retail pharmacists within the pharmaceutical industry. The retail pharmacists are, of course, subjected to the largest degree of complaint by the general public, a great deal of which is unjustified. This arises because the retail pharmacist is the individual with whom the consumer deals.

Mr. Speakman: On a point of order I do not believe retail pharmacists come within the jurisdiction of the Department of Justice.

Mr. Howard: Where have you been all day?

Mr. Speakman: I have been here longer than you have.

An hon. Member: You have not.

Mr. Howard: I say that this complaint is registered against the retail pharmacists because they are the individuals with whom the consumer deals. He sees his fifteen or twenty dollars passed across the counter, in exchange for which he gets a small bottle or vial of tablets or cream or lotion. There is an activity in the retail field which does, I think, give rise to concern and contributes to the high cost of drugs. I should like to cite two examples. I refer, first, to a prescription which was given for aspirin, ordinary aspirin which anyone can buy. The purchase price of aspirin on this prescription, which was supplied here in Ottawa, was 50 cents. Without a prescription aspirin costs 32 cents. This is an indication of the effect of what is known as a prescription fee within the pharmaceutical industry. I have been told by others of an instance in which some tablets were sold by prescription at $1.15 a dozen, or a total cost of $9.90 a hundred. When sold by the hundred without prescription, because they are not an ethical drug, the selling price is $1.85. This represents a difference of some $8.00 and indicates another contributing factor to the high cost of drugs in this country.

In addition to that there is, of course, an 11 per cent sales tax on drugs, and on some items a tariff is applicable also. I think in essence we can say that in relation to the sale of drugs in Canada patents have been and are being used to create monopolistic situations which Canadian law appears to have been designed to prevent and the control exercised over the manufacture, distribution and sale of certain drugs through patents has virtually eliminated price competition in respect to these drugs and has encouraged other forms of competition. These, while possibly bringing other benefits to the public have resulted in prices being increased rather than decreased. Practices which are quite legal and unobjectionable in themselves—promotion, use of trade names and the like—appear to have been carried to extremes because of the insulation of certain sectors of the industry from price competition by reason of the control exercised through patents.

As is indicated below, the effects of the control exercised through patents affect the prices of certain drugs only. On the other hand, the practices of retail druggists affect the prices of all products sold in drug stores. These practices have resulted in the virtual elimination of price competition at the retail level.

Prices of drugs in Canada are among the highest in the world. These prices tend to reflect current prices of the same or comparative drug products in the United States, but because of the sales tax applicable in Canada prices to consumers in Canada are about 11 per cent higher.

The general information that we have indicates that prices of proprietary drug products are not unduly high in any sense, and I refer to those that are not included in the ethical drug field. Also, an established brand which has wide public acceptance is normally sold at a premium price. There are numerous substitutes available, and the consumer has a wide choice of products at various price levels. It is obvious that, because of considerations of health and personal well being, brand name product preference is likely to be more important in cases of proprietary drug products, than in the case of other merchandise.

In the case of standard, widely available ethical drugs, the situation is much the same. Brand preference is somewhat more important, and products of long established ethical drug firms, which enjoy a high reputation for the quality of their products, are able to command premium prices. There are practical limits to the amount of the premium which can be charged. The history of the industry indicates that once a drug becomes generally available to manufacturers, numerous alternative products are offered and prices tend to fall until they reflect only a modest mark-up over actual cost of production. As a drug becomes widely available, manufacturers usually stop promoting it aggressively and concentrate on promoting their more exclusive lines. This reduces the general costs of sale and distribution of the particular drug.

Regardless of what conclusions may be reached in respect of such matters, the fact which makes high prices possible is the patent control exercise over such drug. The clear intention of the special provisions of the canadian patent law, is that this situation should not obtain. However, advantage has not been taken of these provisions, and the drug industry in Canada is, for all practical purposes, operating under conditions determined by the patent law of the United States.

Patent controlled drugs are imported into Canada by a few small firms, other than United States companies, generally classified as foreign, without any licence arrangements with the Canadian patent holders. The basic fact is, that such importations are made, and that importing firms offer dosage forms of such drugs at lower prices than the equivalent products offered by the patent holders.

To date, the availability of such products does not appear to have had any significant effect on the prices charged by the firm holding patents, except to a very limited extent in the case of some institutional buyers. This is due to a controversy which has raged and continues to rage about the quality of the imported products, and the products of small firms. Until doctors generally are satisfied as to the quality of such products, their impact on the market and on the prices of established brand name products will continue to be slight. This situation, of course, would be entirely different if such drugs were available to all manufacturers.

Mr. Clancy: Would the hon. member tell me the difference between generic and brand name drugs?

Mr. Howard: I did not understand the question.

Mr. Clancy: What is the difference between generic and brand name drugs?

Mr. Howard: There is no difference.

Mr. Clancy: Forget the malarkey, and tell me what the difference is.

Mr. Howard: As I said before, there is no difference between a generic and brand name drug, in so far as the drug itself is concerned. It is simply the same as one person calling a box of material Rinso, while someone else calls it soap flakes.

Mr. Clancy: That is the worst malarkey I have ever heard in this house. The hon. member does not know what he is talking about.

Mr. Howard: Mr. Chairman, the reference to soap came to my mind when the hon. member rose to ask me a question.

Mr. Clancy: All this C.C.F. malarkey is the same. I asked the hon. member a question, and he has not answered it.

Mr. Howard: You received your answer although you may not be able to appreciate or understand it.

Mr. Clancy: I appreciated it.

Mr. Howard: If you wish me to go further I shall.

Mr. Clancy: Just tell me what the difference is.

The Acting Chairman (Mr. Chown): Order. The hon. member for Skeena has the floor, and until he yields it for a question by sitting down, I ask the hon. member for Yorkton to remain in his place.

Mr. Howard: Mr. Chairman, perhaps I could use another example to illustrate the difference, using a product for which the hon. member may have use later on. One brand name of a product is Bayer aspirin, and the generic name is acetylsalicylic acid. They are the same thing, but one is the generic term and the other the brand name.

Mr. Clancy: How many grains are there in an aspirin? How many grains are there in a Bayer aspirin?

Mr. Peters: There are no grains at all, there is acetylsalicylic acid.

The Acting Chairman (Mr. Chown): Order.

Mr. Howard: Now that the hon. and noisy member has gone behind the curtains, perhaps I can proceed.

Mr. Clancy: I am back.

Mr. Howard: Mr. Chairman, there is no doubt that the hon. member will need a whole box of aspirins, or perhaps one of the more powerful chemicals, tomorrow morning.

As I said, there is very little price competition at the retail level, and that which does exists is chiefly in respect of proprietary and sundry drug products; tooth paste, and things of that nature. Apart from a very few discount drug outlets, most Canadian drugs stores sell their ethical drug products—drugs on prescriptions—at the manufacturers' suggested resale price, as a matter of course. This appears to be due firstly to the practice of the manufacturers in basing all trade prices on the listed or suggested resale price, and the acceptance of this price by pharmacists as the only proper selling price. Second, this is due to the pressure exerted by certain pharmacists' associations and their members to maintain certain price levels.

Mr. Chairman, I do not intend to go further in this discussion, but I think what I have said sums up what I have said on previous occasions in respect of this item, as well as what I said during the last session in respect of an item in the estimates of the Department of National Health and Welfare.

I feel the comments and conclusions which I have presented fairly well meet the conclusions arrived at by the director of the combines investigation branch following extensive research and investigation into this particular field. I suggest also that, to the extent it is possible to analyse the wealth of material that was presented to the Kefauver committee, similar conclusions were reached by that committee in respect of this situation, except with reference to the control by patents and sales tax regarding comparable prices paid to importers.

I feel similar conclusions were also arrived at by the United States federal trade commission as contained in the report of that commission, to which I referred earlier. I do not have that report now, as I gave it to *Hansard* and it has not been returned.

In conclusion, Mr. Chairman, I express the hope that an inquiry into this very important field will not be delayed, but will be undertaken with the greatest dispatch. I understand the combines investigation branch, and the restrictive trade practices commission, will deal only with selling and pricing policies of certain pharmaceutical houses in respect of certain types of drugs. These were the words used in the annual report by the director of research and investigation, but not the words which appear in the document which I was prevented from reading a while ago.

But this is only one phase of the drug industry, Mr. Chairman. I think the minister and his colleagues should take this under consideration and advisement and also take some steps to deal with it. There is ample room for additional study in some other related fields, for instance, in the field of the physiological and psychological effect upon an individual who may be taking certain of the so-called tranquillizers. What about the medical effect on him? This is something which is not thoroughly understood by doctors themselves. They are discovering new things as each day goes by.

These are questions which have been raised by eminent people in the medical profession and by writers in this particular field. What about the effect on the individual of the so-called multiple vitamins? They take a number of them and put them together. What about the effect on the individual of the maxing up of different types of drugs into one tablet? These are things which I appreciate come more directly under the Department of National Health and Welfare, as well as the question of the ethical drug industry advertising directly to doctors. I think this is something that I can mention in passing because it has a relationship with the drug industry.

As I understood the minister earlier, he said that they were keeping this matter under review to see what possible action could be taken after studying the statement of evidence, or whatever it is called. The minister works very closely with the Minister of National Health and Welfare on the question of narcotic drugs and their effect and in the prosecution of offenders, together with the treatment of people who are addicted. As I say, this is another field in which the Minister of Justice and the Minister of National Health and Welfare can work together very well. They should look into the activities of the drug industry from all points of view and their effect upon the consumer, the medical profession and illnesses. I submit that not only are the selling and pricing policies of immediate concern but the question of advertising of the ethical industry directly to doctors, and the question of the physiological and psychological effects of compounded drugs and new drugs on the individual who takes them.

Perhaps I should close my remarks on this particular phase of the matter and make

just one more comment about another subject at the risk of incurring the wrath of the Minister of Veterans Affairs but I think I must do this.

Mr. Churchill: Give some other members a chance.

Mr. Howard: Recently there has been a fair amount of publicity attached to activities of certain companies in the province of Quebec. While I think this is a sort of minor part of it all—I do not wish to play up what is taking place on the political scene in Quebec—yet it is from a certain activity there that this information comes. I think there is ample material for investigation or study by the combines branch to see just what is going on.

Evidence was presented to the royal commission in Quebec to the effect, for argument's sake, that Dominion Steel and Coal Corporation was paying a rake-off or a kick-back of $10 on a ton of steel. I am not concerned at this time about who got the money or whether it was illegal to pay kick-backs and so on, but I am concerned with the question of kick-backs. Dosco has been prosecuted and fined once already for price-fixing under the Combines Investigation Act, along with Stelco and one or two other companies, that had subsidiary companies. As I say, this is a company which has been prosecuted and fined on one occasion for price-fixing. I wonder whether the combines investigation branch should look very carefully into whether kick-backs or rake-offs of $10 a ton, as it is said Dosco paid, have been used to enhance the position of Dosco within the industry and to ensure that price competition did not have its full play? This is something which I think should be inquired into very carefully.

There are certain other things from the corporate moral point of view that we should look at. I am wondering whether it is morally correct for Dominion Steel and Coal Company to receive subsidies from the federal treasury and then take part of those subsidies and channel them back into the Union Nationale party coffers in another province?

As I say, this is another matter which perhaps is not of concern here. There is also attached to it the question of whether these rake-offs are really a charge against the operations of the company and are reflected in less income tax being paid into the federal treasury. Armco Drainage and Metal Products of Canada Limited is another company that has been mentioned as paying phony commissions or rake-offs to the extent of $1,200. We must remember that Armco Drainage and Metal Products of Canada Limited is another company that was prosecuted and fined under the Combines Investigation Act not so long ago. Brandram-Henderson is another company that was mentioned. The reference there was that this company was paying phony commissions of $1.50 a gallon on luminous paint for sidewalk and street markings, and so on. The combines branch has an obligation to look into this question of rake-offs or kick-backs or the paying of phony commissions in order to get certain contracts from the provincial government of Quebec. There should be an inquiry to learn whether the payment of these phony salesmen's commissions or kick-backs, or whatever you want to call them, was not in fact a device used to limit or prevent competition and to ensure that the companies mentioned and others who were involved in this were not using it as a means to get into a monopolistic position and eliminate competition in that particular field.

The other day the minister said he did not want to get involved in the political picture in Quebec. From the point of view of the activities of the Combines Investigation Act I think this is something which requires very serious study and investigation, and I am sure the minister will bring these comments to the attention of the director if he himself has not already noticed these things in the press and undertaken some preliminary inquiry.

Item agreed to.

173. Bankruptcy Act administration, $118,770.

Mr. Herridge: I should like to say a few words on this item which has to do with the administration of the Bankruptcy Act. I am inclined to do it owing to an experience of some years ago. I became very interested in the administration of the Bankruptcy Act and even at that time I was convinced that there was room for a great deal of improvement to protect creditors of the companies going into bankruptcy. As a matter of fact, at the request of a number of creditors at a creditors meeting I was appointed a special inspector to deal with certain aspects of bankruptcy because I had some knowledge of the physical assets and circumstances surrounding the bankruptcy of the company. I must say that it was that experience over a period of two or three years that caused me to become quite interested in the administration of the act and aware of the necessity for some improvements and amendments in the administration. I am not going to deal with the circumstances of that day but I am particularly inclined to raise the question again because of a rash of bankruptcies that occurred in the southeastern portion of British Columbia, particularly since world war II.

Bankruptcies in the lumbering industry have taken place under very suspicious circumstances. Generally speaking the companies were owned by United States citizens who operated in southeastern British Columbia, particularly in the Kootenays, for a period of one, two, three or four years and then went bankrupt. The owners or managers disappeared across the line and the merchants and other persons who were involved were, in ordinary language, left holding the bag. Mind you, this occurred repeatedly during the period when the forest industry was particularly flourishing. There did not seem to be much reason for this succession of bankruptcies, in one case repeated on three occasions by one man who at the present time is the owner of a company of considerable size south of the line.

I have made reference to this matter previously this session. In particular, I have referred to the bankruptcy of the Hilco Company Limited near Fruitvale which went bankrupt late last year. The owners disappeared across the line and in fact it was quite difficult to proceed with the bankruptcy and to ascertain who was responsible for the company later. Merchants and ordinary workmen were left holding the sack with very little knowledge of their rights and the responsibilities of officials and so on.

I have knowledge of the circumstances surrounding this case because I attended a meeting of the creditors. I did not do so because it was my personal responsibility. I was invited to attend the meeting because I had had some previous experience and had had a somewhat limited experience in the lumber industry. These people considered that I knew a little more about such matters than the average creditor involved. I attended with the idea of listening to the story of the creditors as to the circumstances surrounding this bankruptcy. This again leads me to believe that there must be amendments to the act to provide creditors with at least a rudimentary knowledge of the law—I am not suggesting that creditors can become as skilled in law as lawyers are—the responsibilities of the officers of the crown in administering the Bankruptcy Act, the sequence of procedures in administering the act and their rights in these matters.

I mentioned this matter briefly at the beginning of the session and the commercial attache to the United States embassy read my remarks in *Hansard* and very kindly telephoned me and told me they were very concerned about the information I had placed on the record. Later he came to my office and I discussed the circumstances with him and gave him the balance sheet and the other information that had been given to me. He undertook to see that an investigation would be carried out in the United States and an investigation was in fact carried out in that country as to the operations of this company in the United States and in Canada. I am not going into the details. I have a letter here dealing with that. I can say that the report I received from this gentleman is not a credit to the company concerned.

That leads me to believe that there has to be some amendment to the act with respect to circumstances of this type where the owner has disappeared across the line. The minister will have an idea where the Lardeau district is because he likes to visit a beautiful district on occasion. I remember one case where a company had operated there for some months. The owner was able to get the men to work without wages for two months with the idea that he wanted to increase his capital so that he could expand. The company was shipping lumber to Nelson from where it went south on the Great Northern to the international boundary.

These men worked Saturdays and Sundays in an effort to assist the owner, but when the last trainload of lumber went out by rail and then by barge the owner went with it. He told the men that he would be back on Wednesday, that he had enough lumber now to get credit at the bank in order to be able to pay them. They waited until Wednesday and nothing happened. They waited until the following Saturday and then they began to make inquiries. The owner had this trainload of lumber shipped from Nelson over the Great Northern into the United States, and that was the last the men ever heard of it.

That circumstance has been repeated on a number of occasions in different forms. That is why I am particularly interested in amendments to the Bankruptcy Act, and if I heard the minister correctly yesterday I understood him to say that the department is giving consideration to amending the act. These repeated bankruptcies clearly indicate that some shady business goes on at times and that worthy creditors and workmen are not adequately protected. I wrote later to the superintendent of bankruptcy and received a letter from him in reply. He was quite concerned about this matter and I should like to quote part of his letter dated April 21, 1961. He said:

> I have your letter of the 13th instant and enclosure the contents of which are noted. However, unfortunately, the Bankruptcy Act as now constituted does not seem to contain a remedy and I must confess that the solution is not immediately apparent. Should you have any suggestions, I shall be only too pleased to receive them and to give them due and proper consideration in conjunction with a study of the present provisions.

I frankly admit that I am not a lawyer and my suggestions are simply made on the basis of the experience of a layman with a number of these cases. I suggest that amendments are required to protect the public and creditors to a greater extent than is provided in the present act. I suggest that amendments are required to provide more severe penalties to restrain dishonest persons to a greater extent.

I suggest that in the administration of the act there is a necessity for permanent regional officers so that people will know where to go and so that someone will be available whose sole duty it is to administer the Bankruptcy Act in a certain area with a knowledge of the law.

I suggest that action be taken to provide that the minutes of creditors' meetings should not just be entered as minutes but that a stenographic report should be made by a court stenographer so that there will be an accurate record of the questions and answers. I also suggest that there should be something in the nature of an information booklet to give creditors of companies going into bankruptcy some general information as to how to proceed.

An hon. Member: Six o'clock.

Mr. Herridge: My final suggestion, and I will not be long—heavens above, I have sat here in patience for two days and I am trying to conclude in a few minutes. If it were not for the time factor and my sympathy for the minister I could go on at much greater length. My final suggestion is that there should be amendments to provide for situations where a person who goes into bankruptcy goes across the line and is out of reach of the creditors. I noticed in the *Canada Gazette* recently the reappointment of the trustees in bankruptcy and there is one omission. There are no trustees appointed for the Kootenay district, east or west. In view of our history in this respect and the need for a trustee, I suggest that until the law is amended the minister give consideration to the appointment of a trustee in the Kootenay district to serve that area. That is all I have to say.

Mr. Fulton: I want to thank the hon. member for his remarks and tell him that we will give consideration to the points he has raised.

I appreciate that it is after six o'clock but I wonder whether the committee might agree to carry items 173 and 174 so that we could start with the penitentiaries branch the next time these estimates are before the committee.

The Acting Chairman (Mr. Chown): Shall vote 173 carry?

Mr. Caron: No, it is after six o'clock, Mr. Chairman.

Resolutions adopted in committee of supply this day reported and concurred in.

BUSINESS OF THE HOUSE

Mr. Benidickson: Would the leader of the house indicate perhaps a little more fully than he did last night the likely business for Monday and Tuesday of next week?

Mr. Churchill: Mr. Speaker, as I mentioned before, the first item on Monday will be Bill No. C-92, an act to amend the Criminal Code. That will be followed by item No. 7 on today's order paper, second reading of Bill No. C-97, an act to amend an act to amend the Combines Investigation Act and the Criminal Code. The third item will be No. 11 on today's order paper, the resolution in the name of the Minister of Justice pertaining to the Judges Act and the Exchequer Court Act.

If these three items are finished we will then take item No. 3 on today's order paper, Bill No. C-77 dealing with agricultural development. The fifth item will be No. 2 on today's order paper, Bill No. C-93, to amend the Freight Rates Reduction Act. If the house is in a very co-operative mood on Monday and wants to proceed with the business expeditiously, we can take item No. 10 on today's order paper, the resolution in the name of the Minister of Trade and Commerce dealing with the Export Credits Insurance Act.

The order in which I have announced these items will stand without change for the first three of which the Minister of Justice is in charge. If I have to make a change with respect to Nos. 4 and 5 I will let the house know at the beginning of the sitting on Monday.

It being seven minutes after six o'clock the house adjourned, without question put, pursuant to special order.

ANSWERS TO QUESTIONS

The following answers, deposited with the Clerk of the house, are printed in the official report of debates pursuant to standing order 39:

QUEEN MARY HOSPITAL, MONTREAL—FRENCH SPEAKING PERSONNEL

Question No. 226—**Mr. Argue:**

At Queen Mary veterans' hospital in Montreal, what is the proportion of basically French speaking persons among: (a) surgeons (b) psychiatrists (c) all other medical doctors, not covered in categories (a) and (b), (d) matrons (e) nurses (f) nursing assistants and orderlies (g) patients?

Answer by: **Hon. Gordon Churchill (Minister of Veterans Affairs):**

As at April 30, 1961.

(a) 42.1 per cent.

(b) 25 per cent.

(c) 44 per cent.

(d) 16.6 per cent.

(e) 72.1 per cent.

(f) 79.6 per cent.

(g) 39.5 per cent.

MINES AND TECHNICAL SURVEYS SHIPS' CREWS

Question No. 244—**Mr. McCleave:**

1. What are the work hours per week and rates of pay of cooks and stewards serving aboard ships of the Department of Mines and Technical Surveys on the (a) east coast (b) west coast?
2. What are the work hours per week and rates of pay of crew, apart from cooks and stewards, serving aboard ships of the Department of Mines and Technical Surveys on the (a) east coast (b) west coast?

Answer by: **Hon. Paul Comtois (Minister of Mines and Technical Surveys):**

Hours of Work

East coast—Cooks and stewards work a 48 hour week. All other crew members work a 40 hour week.

West coast—All crew personnel work a 40 hour week including cooks and stewards.

Monthly rates of pay for ship's crews on west coast are as follows:

Class	Rate per month
C.G.S. *Wm. J. Stewart*	
Carpenter	$294
Senior quartermaster	294
Quartermaster	289
Coxswain	289
Seaman	279
Oiler	292
Fireman	289
Senior gas engineer	299
Gasoline engineer	289
Chief steward	328
Chief cook	322
Second cook	290
Third cook	274
Second steward	274
Waiter	253
Boatswain	292
C.G.S. *Parry*	
Coxswain	$289
Seaman	279
Gas engineer	289
Cook	290
Steward waiter	269
Boatswain	292
C.G.S. *Marabell*	
Carpenter	$294
Boatswain	292
Coxswain	289
Seaman	279
Gas engineer	289
Oiler	292
Chief cook	301
Second cook	280
Chief steward	306
Second steward	264
Waiter	253
Quartermaster	289

Monthly rates of pay for ships' crews on the east coast are as follows:

Class	Rate per month
C.G.S. *Acadia*	
Chief gasoline engineer	$301
Senior gasoline engineer	263
Assistant gasoline engineer	243
Boatswain	269
Carpenter	269
Quartermaster	260
Coxswain	252
Oiler	264
Fireman	257
Seaman	* 229 +5
Chief steward	311
Second steward	238
Chief cook	305
Second cook	238
Waiter	229
C.G.S. *Baffin*	
Chief diesel motor mechanic	291
Senior diesel motor mechanic	279
Machinist	309
Boatswain	269
Carpenter	269
Quartermaster	260
Coxswain	252
Oiler	264
Seaman	* 229 +5

Class	Rate per month
Chief steward	311
Second steward	238
Chief cook	305
Second cook	238
Baker	248
Waiter	229

C.G.S. *Kapuskasing*

Chief gasoline engineer	301	
Senior gasoline engineer	263	
Assistant gasoline engineer	243	
Boatswain	269	
Carpenter	269	
Quartermaster	260	
Coxswain	252	
Oiler	264	
Fireman	257	
Seaman	* 229	+5
Chief steward	311	
Second steward	238	
Chief cook	305	
Second cook	238	
Waiter	229	

Note: *Plus an allowance of $5 per month when required to perform stevedoring duties.

C.G.S. *Cartier*

Senior gasoline engineer	$263	
Gasoline engineer	243	
Boatswain	269	
Carpenter	269	
Quartermaster	260	
Coxswain	252	
Oiler	264	
Seaman	* 229	+5
Steward	238	
Chief cook	305	
Second cook	238	
Waiter	229	

Rates paid in northern waters

Chief diesel motor mechanic	301	
Senior diesel motor mechanic	288	
Machinist	320	
Boatswain	279	
Carpenter	279	
Quartermaster	269	
Coxswain	259	
Oiler	272	
Seaman	* 237	+5
Chief steward	321	
Second steward	254	
Chief cook	314	
Second cook	247	
Baker	256	
Waiter	237	

Note: *Plus an allowance of $5 per month when required to perform stevedoring duties.

[The following items were passed in committee of supply]:

DEPARTMENT OF JUSTICE

A—Department—

165. Departmental administration including annual contribution of $200 to the conference of commissioners on uniformity of legislation in Canada and $167,500 as grants to recognized private after-care agencies as may be approved by treasury board, $1,194,583.

166. Parole Act administration, $654,790.

Supreme Court of Canada—

167. Administration, $242,715.

Exchequer Court of Canada—

168. Administration, $151,110.

Northwest Territories—

169. Administration of justice in the Northwest Territories including the Northwest Territories territorial court, $154,794.

Yukon Territory—

170. Administration of justice in the Yukon Territory including the Yukon territorial court, $140,451.

Combines Investigation Act—

171. Restrictive trade practices commission, $94,840.

172. Office of investigation and research, $574,372.

HOUSE OF COMMONS

Monday, May 29, 1961

The house met at 11 a.m.

VOCATIONAL TRAINING

ANNOUNCEMENT OF COMMONWEALTH TECHNICAL TRAINING WEEK

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, with leave of the house I should like to make a statement on commonwealth technical training week, which begins today. The idea of holding a special week to focus attention on the importance of education and training, particularly the technical form of training, originated with His Royal Highness the Duke of Edinburgh. This week is being observed simultaneously in Great Britain and many other countries of the commonwealth.

As a first step in arranging for this week, I consulted with the premiers of the provinces, and early this year I called a meeting in Ottawa which was attended by representatives of the federal and provincial governments, labour, management, and a number of national organizations. The idea received complete endorsement.

At the national meeting, five broad objectives for a commonwealth technical training week were adopted. The first is to try to create more public awareness of the excellent career opportunities which exist in the technical and vocational fields. There is still, among an ever decreasing minority, I am glad to say, a tendency in this country to think of the "white collar" occupations as being more desirable, even though many of them demand less education and training than do many of the skilled and technical jobs. We must give the technical and vocational careers their proper place of importance.

The second objective is to stimulate more apprenticeship and other in-plant training programs. There are not enough programs of this kind now in existence, although where they are they have proved their worth both in Canada and other countries.

The third objective is to convince young people of the necessity of planning a career and of staying in school until graduation, seeking training which will fit them for the modern demands of advanced technology. Present rates of drop-outs from school reveal that 70 per cent of students entering grade 11 of elementary school will have left before they get their junior matriculation. This is a serious matter when viewed in relation to the widespread reduction, since world war II, of unskilled and semi-skilled occupations through the introduction of more and better machines and more efficient methods.

The fourth objective is to encourage adults to upgrade their skills and increase their education, and to stimulate the establishment of more adult education and training programs. There is a reluctance on the part of adults to take advantage of available facilities, as illustrated by the fact that less than 5 per cent of unemployed persons apply for the training in programs operated in a number of the provinces.

The fifth objective of the week is to bring together industry and the schools so there can be a greater understanding of each other's needs. The rapidly changing pattern of employment and occupations makes it essential that industry and the schools develop closer co-operation so that more courses can be vocationally oriented.

All these broad objectives, I realize, cannot be reached during one short week; but if public attention is drawn to them, and more people in positions of leadership at all levels, national, provincial and municipal, become aware of the need for positive planning and action to reach these objectives, then this commonwealth technical training week will have been worth while.

It was agreed at the federal-provincial planning meeting that each province would organize the observance of the week within its own jurisdiction. The federal government will provide assistance in the way of pamphlets and posters for the schools, along with film material for the schools and television, as well as generally assisting in organizing some national publicity for the objectives of the week.

All these plans give full respect to the exclusive jurisdiction of the provinces in respect to education. This has been worked out, and each province has organized a variety of methods for bringing attention to the objectives of the week. Special pamphlets are being distributed through the secondary schools to each student to point out the need for young people remaining in school to get as much education and training as possible before seeking their first job. It is expected that the fundamental message, namely the need of action will be carried to young

people and their parents. Through the co-operation of press, radio and television, I hope the Leader of the Opposition and the leader of the C.C.F. will join me in approval of what is being done and what is being attempted this week not only in our own country but in the United Kingdom and in various countries of the commonwealth.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, we on this side are very happy to associate ourselves with the Prime Minister in what he has just said about the value of commonwealth technical training week. The importance of that week and the steps taken to publicize it in Canada have been made clear in a memorandum from the Minister of Labour, which I have before me, and by what the Prime Minister himself has said this morning. Also we can join the Prime Minister and others in expressing appreciation to the Duke of Edinburgh for the initiative he has taken in bringing about this important development.

It is a cliché, of course, Mr. Speaker, to say that we live in a technical and scientific age, but it is something that is very true, so it is necessary for technical education to keep abreast of the fantastic changes that have taken place both nationally and internationally. Perhaps it is also important to point out that while technical education is now more important than ever, and it is well for the federal government to associate with and assist the provinces in the development of technical education in every appropriate way, we can emphasize the importance of technical education without minimizing the importance of education in the humanities and in the social sciences; because it is also true that if we do not learn how to use for constructive purposes the machines we create, technical education itself may not be of any great value. The necessity for reconciliation of the two kinds of education was put in a striking way the other day by the head of the Carnegie Corporation in the United States when he said:

> We must have respect for both our plumbers and our philosophers, or neither our pipes nor our theories will hold water.

Commonwealth technical education week also reminds us that progress in such education has been uneven within the commonwealth. Therefore, those members, including Canada, which have been more fortunate in their development in this field can help and are helping other members of the commonwealth to make similar progress. This is a kind of mutual aid which can underline the meaningful character of the commonwealth association. In short, for domestic, commonwealth and international purposes it is important to give all the support we can to commonwealth technical training week. We on this side will be glad to support in any way we can the initiative and the work done by the government in this field.

Mr. Hazen Argue (Assiniboia): I am pleased on behalf of this group to associate myself with the words of the Prime Minister and the Leader of the Opposition in giving support to the commonwealth technical training week. I think we are becoming more and more aware of the fact that educational facilities require continuing change, and that the present unemployment situation and some of the things that have been learned from it demonstrate the great need at this time for increased skills for many of those who are out of work at the present time and require such training.

We are pleased that this is a commonwealth venture. We need such facilities and emphasis on such facilities in Canada, and they are also needed much more in other parts of the world. There is a challenge to the west today. There is a challenge to our educational system. Coupled with further improvements, we think this is a very good step to underline the need for further emphasis on technical training in Canada and in the other commonwealth nations.

EXTERNAL AFFAIRS

SUDAN—ANNOUNCEMENT OF CANADIAN DIPLOMATIC APPOINTMENT

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, hon. members will recall that on March 15, when I announced some diplomatic appointments, I expressed the hope that Canada would shortly be able to open diplomatic relations with the Sudan as part of a program of strengthening Canadian representation in Asia and Africa.

I am pleased to announce that the government of the Sudan has agreed to accept a Canadian ambassador even though the Sudan government will not itself immediately be able to accredit an ambassador to Ottawa. Mr. R. A. D. Ford, who recently took up his appointment as Canadian ambassador to the United Arab Republic, will be concurrently accredited to the government of the Sudan.

The Sudan has close ties with both the Arab world and Africa south of the Sahara, and is becoming increasingly important in the United Nations. The appointment of a Canadian ambassador to that country reflects the importance which the Canadian government attaches to developments in Africa, and will encourage closer relations with one of that continent's most important countries.

DRUGS

On the order:

Introduction of bills—The Minister of National Health and Welfare—Bill intituled: An act to provide for the control of narcotic drugs.

Hon. E. D. Fulton (Acting Minister of National Health and Welfare): Mr. Speaker, on behalf of the Minister of National Health and Welfare may I ask that the first item under introduction of bills, an act to provide for the control of narcotic drugs, be allowed to stand and that the second item be proceeded with.

Mr. Speaker: Stand.

FOOD AND DRUGS ACT

AMENDMENTS RESPECTING CONTROL OF BARBITURATES

Hon. E. D. Fulton (for the Minister of National Health and Welfare) moved for leave to introduce Bill No. C-99, to amend the Food and Drugs Act.

Mr. Martin (Essex East): Will the minister give us an explanation?

Mr. Fulton: On behalf of my colleague I should explain to the house that the purpose of the bill is to provide a system of controls under which it will be possible to deal with the problem of barbiturates and other drugs commonly known as goof balls.

Motion agreed to and bill read the first time.

FINANCIAL ADMINISTRATION ACT

AMENDMENTS RESPECTING PURCHASE AND SALE OF SECURITIES BY MINISTER, ETC.

Hon. Gordon Churchill (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 amend the Financial Administration Act to permit the Minister of Finance to buy and to sell securities guaranteed by Canada as well as securities of Canada; to permit the governor in council to authorize the deletion from the accounts of debts due to Her Majesty not exceeding $1,000 and to also permit the treasury board to make regulations for the deletion from the accounts of small debts not exceeding $100, rather than $25 as at present; and to provide for further amendments in connection with the administration of the act.

Motion agreed to.

TRANS-CANADA AIR LINES

LABOUR DISPUTE—MOTION FOR ADJOURNMENT UNDER STANDING ORDER 26

Mr. Frank Howard (Skeena): Mr. Speaker, I beg leave to move the adjournment of the house under standing order 26 for the purpose of discussing a definite matter of urgent public importance, namely the decision by Trans-Canada Air Lines to disregard the safety and well-being of its passengers by taking action to replace its present stewardesses, hostesses and pursers with other personnel who will not be required to undergo medical or physical examination and who will be accepted from any large group regardless of whether or not they qualify as flight attendants.

Mr. Speaker: I wonder if the hon. member can tell me when the decision to which he refers was taken, or whether it has been taken.

Mr. Howard: Yes. The decision referred to, and which just came to my attention over the week end, was taken by way of a teletype directive to all T.C.A. stations, sent by Mr. H. W. Seagrim, the vice president, on May 17, the day before a conciliation board report on this matter was released by the Minister of Labour; and this recruitment of personnel along the line suggested in the motion is currently taking place.

Hon. Michael Starr (Minister of Labour): Mr. Speaker, this dispute is under collective bargaining procedures and meetings were held last Thursday and Friday. I have no word that they have been discontinued. I feel that any motion such as this would have an effect on the discussions that are at present under way.

Mr. Speaker: The definite matter of urgent public importance which the hon. member for Skeena wishes to have discussed under standing order 26, which involves the interruption of the normal course of business in order to discuss the matter, relates to a labour dispute between Trans-Canada Air Lines and some of its personnel, namely stewardesses, hostesses and pursers. It is put forward by the hon. member as a matter of the safety of passengers.

There are two aspects to the matter. One is the labour dispute, which undoubtedly is an important matter, as is that of the safety of passengers who travel by Trans-Canada Air Lines. The whole administration has been given to Trans-Canada Air Lines by parliament, and the management has the responsibility of continuing labour negotiations and assuring the safety of passengers.

It has been suggested that the decision interposes a matter of such urgency for debate that we should interrupt our proceedings. In view of the fact that this is a continuing labour dispute which, in so far as it is a matter of administrative responsibility, comes under the Department of Transport whose

estimates have been before the house in the last 10 days—in fact as recently as last week, I believe—and will be before the house again, as I am advised that the first item has not yet been passed, it seems to me that unless the matter is of immediate urgency for discussion—that is, that it must be discussed today or within a day or two—urgency of debate does not arise.

Furthermore, I think we would be abusing the rule if we projected labour disputes into our discussions every time there was a difference of opinion in an important section of labour relations in the country. Those are not unusual in occurrence. If we invoked the rule for this kind of thing I think we might have to change the rule, because we would be talking about little else.

As to the other aspect, that of safety, in view of the record of administration I think it will bear waiting until the hon. member can raise the item on the estimates. Therefore, with all respect to the hon. member, I do not think we have here a matter that should be allowed to intervene under standing order 26.

On the orders of the day:

Hon. Paul Martin (Essex East): Mr. Speaker, I should like to direct a question to the Minister of Transport, or to the Minister of Labour, or to both, asking whether they have received representations on behalf of the Canadian air line flight attendants association regarding action of the management of T.C.A. which they regard as being in violation of section 4 of the Industrial Relations and Disputes Investigation Act. If so, what action is the government going to take with regard to these representations?

Hon. Michael Starr (Minister of Labour): Mr. Speaker, such representations have not been brought to my personal attention. I will check in the department to see whether or not this has been brought to their attention, and I will report to the house.

Mr. Martin (Essex East): Mr. Speaker, a supplementary question. May I ask the Minister of Transport whether he has received a telegram from Robert R. Smeal on behalf of the Canadian air lines flight attendants association.

Hon. Leon Balcer (Minister of Transport): Yes, Mr. Speaker, I received such a telegram this morning and I sent it to my colleague, the Minister of Labour, under whose jurisdiction such matters fall.

Mr. Martin (Essex East): I hope we will have a reply before the day is over.

[Mr. Speaker.]

TRADE

FLOUR—REPORTED U.S. ACTION RESPECTING BIDS ON SALE TO CHINA

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I should like to ask the Prime Minister a question arising out of a press report that Canadian flour milling companies with United States affiliations have been forbidden to bid on contracts for the export of flour to China.

In view of the answer given by the Minister of Agriculture on Saturday last, that the question of permits being granted by the United States to such companies is no concern of ours, I should like to ask the Prime Minister whether it is not the policy of the Canadian government that all corporations operating in Canada should follow Canadian policy and should operate in the best economic interests of this country, and whether or not he feels it is an impingement on our sovereignty if these companies—as it is claimed in the report—are forbidden to export flour to China.

Mr. Speaker: Order. I do not know whether the Prime Minister can deal with the matter without notice, and I of course do not wish to intervene, but the hon. member's question is largely hypothetical. He does not take responsibility for the report, he indicates that he does not know whether the point arises at all, and then asks a rather indefinite question.

Mr. Argue: Mr. Speaker, on the point of order, I think the accuracy of this has been rather well established by the answer from the Minister of Agriculture last Saturday, that the question of companies operating in Canada obtaining permits from the United States government is no concern of ours.

My question to the Prime Minister is this. Is it not the well known policy of the Canadian government that corporations operating in Canada should follow Canadian policy and should not have to go to the United States for permits to carry on export business with a country to which Canada is selling? I think the question is very much in order, and I thought the government had a policy on it.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, as usual the hon. member interjects gratuitous statements that have no foundation whatever. He starts off with a question and states he has no information in this regard—

Mr. Argue: Except the press statement and the minister's statement in *Hansard*.

Mr. Speaker: Order.

Mr. Diefenbaker: Mr. Speaker, perhaps the hon. gentleman would allow me to continue. The hon. member has had two bites of the cherry so far and has not achieved anything. If the hon. gentleman had asked me at the beginning the question which he asked at the end of his hypothetical excursion, I would have answered immediately.

We have taken the stand, and very definitely, that in so far as Canadian corporations are concerned, they are governed by the laws of Canada. I can say further, without going into detail which would not be helpful at this or any other time, that the attitude of the administration of the United States has been most favourable to that viewpoint expressed most strongly in the past by the present government.

Mr. Argue: A supplementary question, Mr. Speaker. Do I take it, then, from the Prime Minister's reply that flour milling companies operating in Canada are not required, in the opinion of the Prime Minister, to obtain any permits in the United States? I am referring to those corporations which are undertaking this work.

Mr. Diefenbaker: Mr. Speaker, the hon. member has already stated that he has no knowledge that any flour milling companies have been interfered with. Therefore the question is entirely hypothetical.

Mr. Argue: I ask the Prime Minister this question. Has the Prime Minister—and this is the point—any knowledge that these companies in Canada have to be suppliant and have to ask for permits from the United States government? This is the question.

Mr. Speaker: Order.

Mr. Diefenbaker: Mr. Speaker, I would not have superior knowledge to that possessed by the hon. gentleman. There is no subject upon which he does not pretend to have the fullest information.

Mr. Martin (Essex East): Answer the question.

Mr. Diefenbaker: I have heard nothing that would bear out the suggestion the hon. member offers.

Mr. Argue: Can the Prime Minister deny that this is a fact?

Mr. Speaker: Order. I think the hon. member has exhausted the subject.

Mr. Argue: I have exhausted the Prime Minister.

Inquiries of the Ministry

CANADIAN NATIONAL RAILWAYS

MONCTON—PROTEST AGAINST TRANSFER OF REPAIR WORK

On the orders of the day:

Mr. H. J. Robichaud (Gloucester): Mr. Speaker, I should like to direct a question to the Minister of Transport. My question has to do with a statement made to this house by the minister on May 26 on the reported lay-offs at the Moncton C.N.R. shops.

Has the minister received a telegram from the president of the Moncton labour council protesting against the transfer of repair work from the Moncton shops? If so, will the minister use his good offices with the C.N.R. in order to meet the request of the labour council?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I received such a telegram this morning. I immediately sent a copy of it to the management of the C.N.R. asking them to keep me informed of any developments and also asking them to give the utmost consideration to any avenue or possibility of these people either keeping their jobs or securing new jobs with the railway.

Mr. Hazen Argue (Assiniboia): A supplementary question, Mr. Speaker. I wonder if the minister will inform the house whether he will report back the reply he gets from the C.N.R. management on this very important problem.

Mr. Balcer: Mr. Speaker, I always report to the house such reports as I receive. If my hon. friend had been in the house he would have heard that I answered in detail the question asked by the hon. member for Westmorland (Mr. Creaghan) on this very matter.

Mr. Argue: On a point of order, Mr. Speaker, I want to inform the minister that the reason I am raising the question today—

Some hon. Members: Order.

Mr. Argue: —is because of the unsatisfactory answer he gave on Saturday.

Mr. Speaker: Order. It seems to me that the hon. member has not a point of order there.

BUSINESS OF THE HOUSE

CORPORATIONS AND LABOUR UNIONS—INTENTION TO PROCEED WITH LEGISLATION

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the Minister of Justice and ask him whether or not it has been a decision of his or of the government not to proceed with Bill No. C-70 this session. This bill refers to the furnishing

of financial and other statistics relating to the affairs of corporations and labour unions carrying on activities within Canada.

Hon. E. D. Fulton (Minister of Justice): Mr. Speaker, I was asked that question about a week ago by the hon. member for Bonavista-Twillingate, I think it was, or the hon. member for Essex East. I have nothing to add to the reply I gave then.

Hon. Paul Martin (Essex East): A supplementary question, Mr. Speaker. Since the minister did not really say anything on that occasion, would he say something now?

Mr. Fulton: What the minister said on that occasion is well within the understanding of most hon. members in this house.

WAR MEASURES ACT—INTRODUCTION OF LEGISLATION THIS SESSION

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister, having regard to the statements made by him during the debate last year on the bill of rights and similar statements on January 27 this year, whether the government intends to submit the War Measures Act to this session of parliament for consideration.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I can only say at this time that depending on the progress that is made in the house, a decision in that regard will be announced to the house.

Hon. Paul Martin (Essex East): A supplementary question, Mr. Speaker. If the government does not proceed, could I ask the Prime Minister whether the government will support the bills standing in my name that seek to do what the government itself promised it would do?

Mr. Diefenbaker: All I can say to the hon. gentleman is this; that his interest in this matter is commendable, even though for all the years he was a minister he did not see fit, and the government to which he belonged did not see fit to follow the course he now recommends.

Some hon. Members: Hear, hear.

N.H.A.—INTRODUCTION OF AMENDMENTS THIS SESSION

On the orders of the day:

Mr. J. R. Garland (Nipissing): May I direct a question to the Minister of Public Works. Does the government intend to introduce legislation this session to amend the National Housing Act so as to permit loans to be made on existing homes?

Hon. D. J. Walker (Minister of Public Works): I do not know what the hon. member has in mind in asking that question. This is a broad field, and perhaps he would be more specific.

Mr. Garland: The National Housing Act now restricts lending in such a way that loans can only be made with respect to construction of new houses. My question is simple. Does the government intend to amend the act so as to permit loans to be made on used or existing houses?

Mr. Walker: As the hon. member knows, the government has made it possible for loans to be made for the improvement of old homes at the present time. The loans by the banks are guaranteed by the government. Also, there are 1,500,000 rental houses throughout Canada, the owners of which can obtain loans of up to $4,000 for the improvement of those homes. That is something which is new this session. However, as to extending these operations to enable direct loans or mortgage loans to be made with respect to old houses, the answer is no, because the government finds it has to extend itself in order to provide sufficient money for loans with respect to new houses.

Mr. Garland: A supplementary question. I wonder if the minister does not believe—

Mr. Speaker: Order. I think the hon. member should not pursue that subject, which is one involving broad questions of policy. He has received a specific answer to this first question, and he may ask the minister to explain that answer if he thinks it necessary, but it would not be in order for him to make a statement.

Mr. Garland: I simply want to ask the minister whether he does not believe that the residue from the proposed sale of mortgages presently held by Central Mortgage and Housing Corporation would allow sufficient elbow room to assist financing in respect to the sale of existing houses.

Mr. Speaker: Order. I think the hon. member had better ask that question on the estimates.

NATIONAL DEFENCE

NEWFOUNDLAND—REPORTED SIGHTING OF UNIDENTIFIED SUBMARINE

On the orders of the day:

Mr. C. W. Carter (Burin-Burgeo): Mr. Speaker, may I direct a question to the Minister of National Defence. If the minister is

unable to answer perhaps he will take the question as notice. Can the minister give the house any information about the reported sighting of an unidentified submarine by fishermen off Burgeo, on the south coast of Newfoundland, last Wednesday, May 24?

Hon. D. S. Harkness (Minister of National Defence): Mr. Speaker, I have not had a report on this particular incident. I will be glad to ask for one and inform the hon. member.

DEFENCE PRODUCTION

CANADIAN ARSENALS LTD.—REQUEST FOR PRIORITY IN CONTRACTS

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): I wish to address a question to the Minister of Defence Production. In view of the concern being expressed by members of the union concerning the dearth of contracts being awarded to Canadian Arsenals Limited at Lindsay, which is causing the work force to be reduced to the lowest level in 15 years, can the minister assure the house that priority in awarding defence contracts is given to this crown corporation over unorganized, privately owned plants?

Hon. Raymond O'Hurley (Minister of Defence Production): I wish to remind the hon. member that this plant has been kept in production since the end of the war and since the present government came to power. We wish to continue doing so. I must add that sitting where I do I receive a daily reminder from my hon. friend who represents Victoria about the desirability of keeping this plan in operation.

INDUSTRY

TEAR GAS—INQUIRY AS TO MANUFACTURE IN CANADA

On the orders of the day:

Mr. Hubert Badanai (Fort William): I wish to direct a question to the Minister of Trade and Commerce. Notice has been sent to the hon. gentleman. My question arises out of a news item which appeared in the *Wall Street Journal* indicating that tear gas manufacturing is becoming a big secondary industry with exports to countries all over the world. I should like to ask the minister if there are any tear gas manufacturing facilities in Canada and, if there are not—

Some hon. Members: Order paper.

Mr. Badanai: —whether it would be in the interests of Canada to encourage the establishment—

Some hon. Members: Order.

Hon. George H. Hees (Minister of Trade and Commerce): I wish to thank the hon. member for having given me notice of his intention to ask this question. Tear gas is not being made in Canada at the present time. It was produced during the war, but the plant has since been shut down and destroyed because it was badly contaminated. There is very little demand for tear gas in Canada, and any produced here would have to depend almost entirely upon export demand. I am advised that it is doubtful whether a manufacturer would be interested in starting production without at least a reasonable volume of domestic business in prospect.

AIR TRANSPORT

PROCEDURE RESPECTING APPLICATIONS FOR ROUTE CHANGES

On the orders of the day:

Hon. Lionel Chevrier (Laurier): I should like to direct a question to the Minister of Transport based on a statement the minister is alleged to have made on Friday, reported in the Montreal *Gazette* of May 27 under the heading "Local Air Carriers Given New Routes". The report attributes this statement to the hon. gentleman:

> Up to now T.C.A. has been able to alter its routes and schedules without reference to the board. Other air lines are not able to do this.

The question I want to ask the minister is this. Did he take cognizance of a denial by an official of Trans-Canada Air Lines, who stated that the publicly owned air line T.C.A. has always been required to obtain government approval before changing its domestic operations? Then the spokesman went on to say that in fact T.C.A. does go before the air transport board. I wonder whether the minister has any comment to make in these circumstances.

Hon. Leon Balcer (Minister of Transport): I do not think the statement attributed to the T.C.A. spokesman constitutes a denial. It merely said that, so far, T.C.A. has always had to obtain government approval in connection with new routes and that the air transport board has been consulted. The purpose of my statement was to make it amply clear that from now on Trans-Canada Air Lines will be using the same procedure with respect to public notice and hearings before the air transport board as must be followed with respect to other applications by private companies. Whenever T.C.A. wishes to change any of its domestic routes it will have to appear before the board, and other air lines which are interested or affected will be afforded a chance of coming before the board and expressing their views.

Inquiries of the Ministry

EXTERNAL AFFAIRS

INDIA—INQUIRY AS TO REQUEST FOT ASSISTANCE

On the orders of the day:

Hon. Paul Martin (Essex East): May I ask the Prime Minister if he can tell us whether or not it is a fact that the Prime Minister of India has communicated with him, as he has with the heads of government in the United Kingdom, West Germany and Japan, regarding commitments for assistance to India in the development of its third five year plan.

Right Hon. J. G. Diefenbaker (Prime Minister): I received a personal letter, as I recall, from Prime Minister Nehru in connection with the next five year plan generally. It is a purely personal letter.

Mr. Martin (Essex East): Is the government in a position to say what it proposes to do with regard to the request made by India?

Mr. Diefenbaker: When the government is in a position to announce a decision in this regard, it will, of course, be brought to the attention of the house.

THE CENSUS

PENALTY FOR REFUSAL TO ANSWER QUESTIONS

On the orders of the day:

Mr. Alexis Caron (Hull): Could I direct a question to the Minister of Trade and Commerce? Is it an offence for a person to refuse to answer certain of the questions contained in the census forms and, if so, what would be the penalty for such a refusal?

Hon. George H. Hees (Minister of Trade and Commerce): If the hon. member would let me know what particular question he has in mind, perhaps I could give him a more accurate answer.

Mr. Caron: I am speaking of any of the questions which are in the form.

Mr. Speaker: I think the hon. member should consult a lawyer.

Mr. Caron: Very funny. I was asked by a resident of Canada yesterday if I could answer that question, and I did not know. I am asking the minister who is in authority and who should know; or else he should be the one to consult a lawyer if he does not.

Mr. Speaker: It is not customary to ask for the interpretation of statutes on the orders of the day. I have regarded the hon. member's question as seeking for a legal opinion. Perhaps I am wrong about that. If it is a question which is capable of being answered in a factual way I certainly have no objection to it being answered.

[Mr. Balcer.]

FISHERIES

NEWFOUNDLAND—REQUEST FOR PROHIBITION ON USE OF TRAWLS

On the orders of the day:

Mr. J. R. Tucker (Trinity-Conception): Mr. Speaker, I should like to direct a question to the Minister of Fisheries or, in his absence, to his parliamentary secretary.

Has the minister received a petition from the fishermen of Calvert, Ferryland, Aquaforte, Fermeuse and Renews requesting that the use of bultows or trawls be forbidden in the area between Renews head and Burnt head in accordance with the regulations which have existed since 1895, and which were confirmed again in 1943 by the Newfoundland commission government?

Mr. Roland English (Parliamentary Secretary to the Minister of Fisheries): Mr. Speaker, I shall take this question as notice and provide an answer as soon as possible.

CRIMINAL CODE

REVISION OF PROVISIONS RESPECTING DEATH PENALTY

The house resumed, from Wednesday, May 24, consideration in committee of Bill No. C-92, to amend the Criminal Code (capital murder)—Mr. Fulton—Mr. Flynn in the chair.

On clause 1—*Classification of murder. (Translation):*

Mr. Paul: Mr. Chairman, while I have no claim to being a linguist, I should like to draw the attention of the Minister of Justice (Mr. Fulton) to a possible interpretation of the French translation of section 1 of Bill C-92. The English expression seems to cover the primary purpose of this piece of legislation.

More than ever, in considering this bill, we must face the two essential conditions of a crime. There must first be the *actus reus*, which is clearly determined in this case, and also the *mens rea*.

It seems to me that if we added the word "préparé" to paragraph (a) of subsection 2, we would have an exact translation of what the government and the Minister of Justice had in mind in introducing this bill. Thus the paragraph would read as follows:

Le meurtre est dit qualifié, à l'égard de toute personne, lorsqu'il est préparé, projeté et délibéré de la part de cette personne.

I do think the French translation would then be more complete and would not lend itself to any discussion. In my humble view, the intention of the legislators would also be much better expressed.

I wanted to make these few remarks to the Minister of Justice, as the matter was brought to my attention over the week end when I had the privilege of discussing this bill with members of the legal profession in Three Rivers.

I shall not belabour the point, but I think the French version should be more complete so as to convey the meaning of the English word "planned", which reflects the idea that the government had in mind in introducing this bill.

Mr. Deschatelets: Mr. Chairman, the house passed on the principle of Bill C-92 when the motion for second reading was put.

As far as I am concerned, I will try to suggest various means of improving it so that it may meet as much as possible the expectations of the public on this important question of capital punishment.

Section 1 introduces a new section into the Criminal Code, section 202A, which does not change the definition of murder itself found under sections 201 and 202; it merely distinguishes between two categories of murder, capital and non-capital, depending on whether the crime is premeditated or not. Section 202A is therefore the key to the whole bill.

When I spoke on second reading of the bill, I stated that even if such a distinction could be justified in principle, in the general context of the bill it necessarily leads to what is practically the complete abolition of capital punishment. Now, not only the hon. members of this house but a vast majority of the citizens of this country wish to keep capital punishment in our statute books, not as a museum curiosity but as a necessary and efficient deterrent for the protection of honest people.

May I say first of all that by establishing two categories of murder, section 1 is contrary to the recommendations of one of the most important joint committees of the house and Senate. I will now repeat what I said the other day as reported on page 5227 of *Hansard* for May 23, 1961:

> Several witnesses suggested that consideration might be given to the creation of degrees of murder which would take into account the difference in moral culpability between different types of homicides. All witnesses representing law-enforcement authorities opposed the establishment of degrees of murder. The committee shares the conclusions of the United Kingdom royal commission on this question. The committee is of the opinion that the present distinction between murder and manslaughter is quite clear and straightforward. It considers that any attempt to break murder down into degrees may lead to the creation of technical and confusing distinctions without, at the same time, creating any precise delineation between murders of differing degrees of moral culpability.

Moreover, by proceeding as we are asked to do under section 1, we also depart from the legislation passed in the United Kingdom in 1957, which is known as the homicide act, 1957. Indeed, as seen on page 5221 of *Hansard* for May 23 last, the minister said with regard to that act:

> In 1957 after further consideration the parliament of Great Britain passed an act entitled "The Homicide Act, 1957". This act adopted the approach of dividing murder into two classes, those which carry the death penalty and those for which the penalty is life imprisonment. The division, however, is based rather on the method or weapon by which the killing is accomplished, or in certain cases upon the person or class of person killed rather than on the nature and circmustances of the crime itself.

The minister went on to say:

> This has produced some arbitrary and rather unsatisfactory results.

The minister has expressed an opinion and I must admit that I am not sufficiently acquainted with the results of the enforcement of this act in Great Britain to advisedly discuss with him this matter of opinion.

Still I am prone to believe that this change on the part of the minister is unadvisable.

Moreover the minister is not in the best position to express such an opinion, and I do not think we have anything to teach the United Kingdom jurists in this matter of legislation on capital punishment.

It is a fact that there has been mass commutations in Britain, 14 death penalties being commuted from April 16 to June 10, 1948.

It should be remembered that, in 1948, a member of the British House of Commons had introduced a bill for the abolition of the death penalty during a 5 year experimental period. This bill was subsequently defeated by a huge majority in the House of Lords.

Here in Canada, in spite of the recommendations from the joint committee and a majority opinion in the house favouring the retention of capital punishment, 39 death penalties were commuted out of a total of 49.

I acknowledge a great respect for British criminal law. In fact, the greatest reforms in this field originated in that country.

Commenting upon the Gowers report, the minister could not conceal that he thought highly of this document when he said, as found at page 5221 of *Hansard*:

> Its report was presented to parliament in the month of September 1953, and it constitutes the most complete analysis of the question in modern times.

It should be noted that all major changes in British criminal law followed intensive

studies made by jurists and experts in the field, while here in Canada through section 1 of the bill now before us, we reject one of the most important recommendations made by the joint committee.

This new clause dividing murder into two kinds is brought forward as an ordinary government measure.

This new concept of criminal law apparently does not result from any special studies made by jurists or experts in that field.

In that regard, I must say that I hold the highest opinion of the Minister of Justice and all the senior officials of his department. But in all deference and while I recognize the high standards they set for the general administration of the Department of Justice, I do not feel I will reduce their prestige when I say that clause 1, in particular, is not the result of discussions by Criminal Code specialists, by jurists with a considerable experience acquired in criminal courts or by writers of criminal law.

While it is true that the newspapers, following the introduction of this legislation, agreed to that idea of two kinds of murder, several articles have been published since giving us the views of jurists, of experienced men, and I think—the minister has probably seen those articles—that this bill, and particularly clause 1, has been received by several jurists with mixed feelings which raise very important questions.

I have here an article that appeared in the Toronto *Star* of May 24, 1961, under the heading:

(Text):

Two murder penalties injustice—Ex-Judge

London, Ontario.—Proposed legislation to establish two degrees of murder was described last night by Arthur M. Lebel, retired Ontario appeal court judge, as a system which would make fish out of one man and flesh out of another.

He said if one man hangs and another does not, if one is locked up and another is not, "the sense of justice in all of us will say let us scrap the whole thing... let us not have any capital punishment".

The new government bill on capital punishment separates deliberate murder, punishable by death, and non-premeditated murder, punishable by a mandatory sentence of life imprisonment.

Mr. Lebel told the Canadian Progress club of London that mandatory sentences have never worked and would not work under the proposed new law.

"What will juries do if they do not like life sentences" he asked, and added, "reduce the charge to manslaughter."

Mr. Lebel also criticized the clause which would require cabinet approval for the release of a person sentenced to death but whose sentence is commuted. "What is wrong with the national parole board?" he asked.

He also questioned why there should be any interference from the cabinet when a court and jury find a man guilty of capital murder.

[Mr. Deschatelets.]

(Translation):

Mr. Chairman, the minister based the introduction of this bill on the following principle, as reported on page 5223 of *Hansard* for May 23, 1961:

We have taken account of the fact that the country, as reflected by opinion in this house, favours retention of capital punishment.

Well, there is in law a proverb or a gibe which states:

Law is what it is, and not always what we should like it to be.

Well, what is the purport of clause 1, especially in relation to the other clauses of the bill? I firmly believe that by drawing this distinction between capital and non-capital murder, as set out in clause 1, we lay down premises which will in fact make capital punishment inoperative. More than that, our premises are contrary to the specific distinction made by the minister when he introduced this legislation, convinced as he is in spite of all that, that the country is of the opinion that capital punishment should remain efficient.

It seems to me that in an effort to solve a problem created by the government itself, the government is submitting, through this distinction between capital and non-capital murder, a project whose full implementation is not supported by the statement made by the minister when he introduced the bill. This distinction, provided under section 1, is meant, I think not only to satisfy the government's abolitionists who are getting impatient, even among the most eminent members of the cabinet, but those who want to keep capital punishment in our statutes. Therefore, we are faced with a compromise that is not realistic and which, in practice, disavows public opinion.

This bill, which is based on the fundamental distinction of section 1 between capital and non-capital murder, has not been sufficiently examined, in my opinion, and section 13, which I may not comment in detail, is evidence of what I claim—this bill, and especially this basic distinction of section 1, has not been studied by experienced law officers and practitioners in criminal law. It is contrary to the recommendation of the joint committee which submitted its report in 1956 and, furthermore, it suggests a legal distinction contrary to the 1957 homicide act of the British parliament.

For all these reasons, I submit there is no urgency to adopt, in its present context, a legal definition based on legal uncertainties

and this distinction between degrees of murder should be reviewed by experienced law officers.

Mr. Chairman, I know that the rules of this house do not allow me, at this stage, to move a motion to this effect, but if I were free to do so I would do so immediately, in order that section 1, as well as the whole bill, be again referred to experts in this field. However, nothing prevents me at this time from renewing my request to the Minister of Justice, and I would remind him of the amount of work accomplished last year by the special committee during the discussion of the Canadian Bill of Rights. In spite of all this work, once we had considered the views of the experts heard in the special committee the subject was again referred to the committee of the whole of this house.

Mr. Chairman, those were the remarks I had to make on section 1. I shall ask the minister, as well as the government, to give serious consideration to that suggestion. I think, that if the minister and the government followed up the idea of reconsidering the bill, it would meet the views of this country's press.

Besides, there is no urgent need to go ahead with this right away; the whole matter might well be reconsidered in a special committee and we could take it up again during this session and pass the bill which the government would then submit. This legislation would be much more efficient. We would thus establish a much less disappointing basis than if we went ahead with the bill in its present form.

Mr. Martineau: Would the hon. member allow me a question?

Mr. Deschatelets: With pleasure.

Mr. Martineau: Earlier today, the hon. member quoted an article referring to a lecture given by the Hon. Justice Labelle, and he pointed out when quoting him—

Mr. Martin (Essex East): Former Justice Labelle.

Mr. Martineau: The former Hon. Justice Labelle, and pointed out, in his quotation, that in practice mandatory penalties were not very satisfactory and did not give proper results. Now as the existing legislation with regard to murder makes the death penalty mandatory, could the hon. member tell us whether, in his view, such a system is satisfactory in practice, and whether it meets public opinion on this matter?

Mr. Deschatelets: Mr. Chairman, I would not say that the present system should not be improved.

In fact, I would be in favour of its being so, but the article I referred to a moment ago I quoted in its entirety. It is the view of a former justice of the appeal court of Ontario, and what is especially interesting about this article is that a judge states that this bill now before us, Bill C-92, is not practical on account of the categories mentioned in section 1.

I am therefore impressed by that opinion given by an ex-judge of an appeal court. That is why I ask for a review of this bill on the basis of the opinion of this expert.

(Text):

Mr. Macdonnell: Mr. Chairman, unfortunately I was unable to be present during the debate on second reading of the bill, and I should like to avail myself of the opportunity now for a moment or two to put myself on record with regard to this all-important measure.

I thought the debate on second reading was of a character of which all members of the house could be proud. As I say, I should like to put myself on record, and I can best do so by means of a very short quotation from the words used by the Minister of Justice in presenting the bill to the house. With your permission, Mr. Chairman, I should like to read a short passage from the minister's words as found on page 5226 of *Hansard* of May 23:

> Finally, we present it in the conviction that in its merciful and progressive provision of an age limit below which no one shall be executed, and of an automatic review by an appeal tribunal to remove so fast as possible the element of human or judicial error, together with its other progressive features, it represents a proper reconciliation between the necessity for the protection of the lives of decent and law-abiding citizens on the one hand, and the desire of a Christian and civilized society to see justice tempered with mercy and forbearance on the other. On this basis we submit it for the approval of the house.

On that basis, Mr. Chairman, I am happy to vote for the bill.

Mr. Martin (Essex East): Mr. Chairman, I have not taken part in the discussion of this subject since the matter was first introduced in the house by the hon, member for York-Scarborough in the bill he presented last year. Like other hon. members without exception, I regard the bill as one of the most important projects put before us for consideration and decision. The details of the bill are now before us, and it is possible to examine what the minister has sought to encompass. I think it is important that at this stage we should indicate our feelings as to the extent to which the bill meets the principle involved.

Murder is the most serious crime in our Criminal Code. Yet this, with our allied offences, is the most difficult of all crimes to define and deal with. Over the week end I spent some time discussing this matter with certain persons, one of whom has had very considerable experience at the bar in criminal matters. In large measure I am influenced by his experience and advice in what I want to say today.

I believe there is more case law on the subject of murder than any other single crime. That statement may not have the significance for those who are not lawyers than it will have for those who are. But if it is a fact that there is more case law on this subject we should be careful about adding needlessly to our jurisprudence in a matter as vital to human beings and to our society as this matter is. It seems to me that because of the extended and far-reaching changes contemplated in this measure we should make sure that we take no final decision without the most thorough study.

I join with the hon. member for Maisonneuve-Rosemont in his plea to the minister this morning that at this stage we make sure that we in this parliament give the most careful consideration to this measure. Nothing the hon. member has said or that I am about to say is in any way a reflection on the care which hon. members of this house have given or will give to this bill. However, all of us are members with divided interests and occupations. I take it that none of us are experts in this matter, and that our knowledge of criminal practice, generally speaking, is not such as to give us the authority with which to arrive at a final judgment in this matter when there are at our disposal advice, experience and judicial and professional skills that can assist us greatly, in the light of our common law decisions, to make sure that we are doing the correct thing not only in principle but in the maintenance and furthering of that principle.

I believe, after careful examination of this bill, that one can say that it is not without much ambiguity, and that it is in some respects muddled. No legislature in a matter of this importance would want to pass a bill of this kind if that is the case. I submit that it is the case, and I hope at the proper stage to indicate that fact.

It is a fact—and I am sure the minister will not deny this statement—that many of those who have participated in many murder trials in our country, both for the defence and for the prosecution, are not clear on the meaning of this bill. As I have already indicated, I myself over the week end discussed the matter with a number of individuals who have had a good deal of experience both as crown prosecutors and as defence counsel, and I may say that is their judgment.

Why this bill has not been sent to a committee of the House of Commons is difficult to understand. I hope the minister, in offering a defence, will not seek to do as he very nearly did the other day, namely suggest that we are inconsistent in the Liberal opposition by making this proposal, in view of the attitude which I personally, on behalf of our party, took in this house the other day when I complained about the contemporaneous sittings of parliamentary committees. This question is too important to be disposed of in that way. If this bill had been introduced early in the session there certainly would have been no real difficulty. I can well understand the minister wanting to see his measures receive ready dispatch, but in a matter of this sort I submit that is not a justifiable position to take.

In the United Kingdom this problem has been confronted and a solution has been put forward which is not the same as the solution provided in this bill. There has been a pinpointing of the instances when punishment by death will be permissible and will be the sanction provided under the law. However, before that decision was arrived at, after much discussion in parliament itself and after much discussion among the people of the United Kingdom generally, a royal commission on capital punishment was appointed.

That commission sat for four years from 1949 to 1953. It is interesting to note that the royal commission had before it the most experienced professional witnesses, including crown prosecutors, defence counsel and, more particularly, members of the judiciary who by their long experience, I think by what they said, proved to be indispensable in the evidence they gave. For instance, there came before the committee Lord Chief Justice Goddard, then the leading criminal judge in Her Majesty's courts.

With all this background they reached a decision. I am not saying it was the right decision, but it was a decision different from the decision which we are providing in a bill the principle of which I have voted for and will vote for. However, I point out that this bill now before us, which is not the English bill, represents a departure from our present law and that fact itself is a matter of the greatest importance.

I hope the minister will not think I am speaking about him personally in what I am about to say, because that certainly is not my intention. I am seeking to be as objective as possible in this matter. I have said that in England a royal commission was appointed and that the royal commission gave to the

lord chief justice of England, many of his colleagues, leading crown prosecutors, leading defence counsel, professors and the like, the opportunity to come and lay before it their opinions as to the formula, legally conceived, which they thought should be provided, to say nothing of the number of people with social welfare interests and others who appeared before the commission. But we have had none of that procedure nor have we had advice from such persons.

Mr. Fulton: In order that I may be clear with regard to the point my hon. friend is trying to make, may I ask him this question. Do I understand him to suggest that at the time of the Gowers royal commission a bill was then under contemplation? That is not my understanding of the matter.

Mr. Martin (Essex East): No.

Mr. Fulton: There was no draft bill or proposal before the Gowers commission.

Mr. Martin (Essex East): That is right. My hon. friend is quite correct. If I gave that impression I did not intend to do so. However, there was discussion of the kind of formula, involving legal precepts, that should be embodied in any kind of bill that would be dealt with. As a matter of fact, in his evidence the lord chief justice spoke of the distinction between various classes of murder and gave an indication of the very phraseology which should be used in order to meet certain particular objectives.

What I am seeking to establish is the fact that the parliament there made a decision only after there had been careful study. We are going to make a similar decision, and we have not had the same study. Who are the authors of this bill? The minister himself is a distinguished member of the bar. I do not in any way wish to suggest anything that would be regarded as the expression of a view that he is not eminently qualified to be Minister of Justice and that he is not a distinguished member of the bar. However, I am not aware that his experience at the bar has been on the criminal side. I am not aware that there is in the Department of Justice at the present time any official who has had great experience in criminal practice. I may be wrong in this, but I gave careful consideration to the point before making the statement. I do not believe there is anyone in the Department of Justice now who has had any experience professionally, either in private practice or as a professional officer of the department, in the field of criminal law. I think this would be very important, if true, in giving us the kind of confidence we would want to have in the absence of the study about which the hon. member for Maisonneuve-Rosemont spoke a moment ago.

I suggest to the Minister of Justice, as a further argument for no undue haste, that I am sure we could determine this matter within the course of the present calendar year and yet give this measure the kind of study representation and care which I feel must antedate the passage of a bill of this importance. I would be prepared to suggest to the minister that every judge, every defence counsel and every crown attorney would say that in this matter we have not had—I do not say this with regard to the subject matter of the bill, necessarily—the study which this bill deserves. If the United Kingdom took four years to consider this matter, surely we are not asking too much of this parliament when we say it would be worth while to spend more time in the study of this measure.

Mr. Fulton: Mr. Chairman, does my hon. friend forget the two years our parliamentary committee spent on the matter?

Mr. Martin (Essex East): That parliamentary committee was conducted under the chairmanship of my former colleague the hon. member for Essex West. It was a committee that pursued its course with care and responsibility, but the witnesses who were called before it were not all of the character of some of the people about whom I have spoken today. Also, it was a committee that did not deal exclusively with this particular problem; it dealt with a variety of other matters as well.

What objection can there be to having this kind of bill, for instance, submitted to a carefully selected committee of the Canadian Bar Association? That was done, as the hon. member for Maisonneuve-Rosemont pointed out, in the case of the bill of rights. The Canadian Bar Association and other interested bodies appeared before a committee and gave their views as to the bill of rights. If the bill of rights was regarded as warranting that kind of treatment, surely a bill dealing with the particular subject matter at hand deserves similar treatment. Yet this bill will not be submitted to these various bodies. The proposal is that we should give it the finality that we give to all measures passed in this house after it has gone through various stages.

I have supported this bill in principle, but even so I believe we would be wise in making sure that we have ourselves given the greatest possible care to this matter, and also that others who by training and experience are particularly competent to assist us have made sure that the drafting, the legal phraseology and the legal formula employed in the bill are such as to enable the proper dispensation

of justice in the future, both from the point of view of the crown and of those charged with murder.

Some hon. members may suggest, "What is wrong with having the committee of the whole deal with this matter?" I suspect that would be the viewpoint of the hon. member for York-Scarborough. "Why should not every hon. member of this house be given an opportunity of discussing this matter? Why should it be confined to members of the committee?" My answer to that question is that if you have a parliamentary committee, obviously you cannot have the whole house in that committee, but that does not preclude the widest participation by hon. members of this house who are especially interested or especially qualified to deal with this matter; nor does it preclude an ultimate discussion of the committee's deliberations in this house. I am afraid that the bill as drawn up at the present time will provide defence counsel for a long time in the future with all kinds of ammunition which may or may not be in the interests of the administration of justice in our country.

I suggest to the Minister of Justice that the proposal made by the hon. member for Maisonneuve-Rosemont with regard to further study of this matter, enabling those especially qualified to give evidence, is a step which is both prudent and, I believe in the circumstances, urgently necessary if we are to avoid passing a measure of such importance without employing every safeguard that it is possible for us as human beings to resort to in trying to evolve an enactment of the best possible character. I believe that only in this way will we have the feeling that we have taken the right course.

I agree with the basic principle of the bill, which seeks, as I understand it, to provide a distinction between murders for which there is to be the death penalty and other murders. That being the case, it seems to me it is most important that the distinction should be drawn as precisely as possible. If this plea is not accepted, what we will be doing will be passing this bill in as many days as we pass other measures in this house of much less consequence. Are we prepared, as members of parliament, to say that in a matter involving security of the person, life, death and the administration of justice we want to pass a measure without using those instruments of understanding and assessment which were used in the United Kingdom when they were confronted with the same problem a few years ago?

I believe the suggestion made by the hon. member for Maisonneuve-Rosemont is a very worthy one. We should be satisfied that we have put into this bill provisions which will allow no room for doubt or uncertainty as to when the death penalty is to be imposed. I do not believe this bill does that.

It would be interesting to know what suggestions could be put forward in that regard. I say this bill is not clear because, as we know, all convictions for murder require the existence of *mens rea*, or the element of intent. I ask, after reading this bill, what additional elements are required to make a murder a planned and deliberate one. I do not see anything in this bill that answers this question. It is true that this bill makes a distinction, but it is a distinction that is going to offer to defence counsel and any unobjective crown counsel, an opportunity which I do not believe should exist in the interests of justice.

There are some other ideas I should like to express when we come to the appropriate clauses. Even though it is not open to us now to make any amendment along the line suggested by the hon. member who made the proposal for a further study a few months ago, I suggest that the Minister of Justice has a responsibility in this matter. I know he takes that responsibility seriously. I suggest to him that this responsibility can be exercised more carefully at this moment by recognizing the desirability of calling in those who administer the criminal law and asking the views of the law officers of the crown in the provinces—I do not say the attorneys general, for other reasons—and crown prosecutors, eminent defence counsel, the Canadian Bar Association and other interested bodies with strong views for and against capital punishment.

I support the principle of this bill, but I do not have confidence in the measure as drafted, for the reasons I have given.

Mr. Chambers: I did not participate in the debate which took place on a somewhat similar bill last year, and it had not been my intention to take part in this discussion today, but I think it is important, lest what was said by the hon. member for Essex East should give the impression to the public that we as members of this house have not given enough consideration or taken sufficient advice to be able to pass on this matter, that something should be said.

As the Minister of Justice has pointed out, a special committee of this house undertook a most extensive study of this question generally some years ago, and since I have been in the house no subject has occasioned more discussion both on the floor of the chamber and among members outside the house. I am sure that practically every member here has, like myself, consulted the best legal opinions he could get

among his private associates on this important subject. We frequently read in accounts of trials of the efforts of lawyers and of the judiciary to establish what was in the mind of parliament when a certain measure was passed. Surely, then, it must be parliament which takes the responsibility for the character of the measure which should be passed in connection with such an important subject as this which we are now considering.

The hon. member for Essex East made reference to the experience in criminal law of those who had to do with the framing of this measure. I think it would be true to say that probably the most experienced criminal counsel in the country today is one of those who passed upon this bill before it was placed before the house, because I am sure the cabinet had a look at the bill before it was sent down.

The only point I wish to make is that I have done my best, not having the advantage of being learned in the law, to give full consideration to this matter and to take what competent advice I could find. I am sure every other member of the house has done the same.

Mr. Martin (Essex East): Within our capacity and experience, undoubtedly.

Mr. Chambers: I am sorry, but I missed that.

Mr. Martin (Essex East): Every member, I am sure, has done that within the limits of his or her capacity and experience. It is the lack of experience in connection with these matters which I think is important in this discussion.

Mr. Chambers: I am glad that point is established, because I think we should be wrong if we gave the impression that this measure was being considered today in committee without a great deal of thought having been given to it by hon. members and, as I say, a resort to such experience as is available to them through their private contacts. As a result of my own thought, study and consultation, I shall support the bill.

Miss LaMarsh: I did not have the opportunity to take part in the previous debate on this measure at the committee stage, nor when the bill came up for second reading. I listened, however, with great interest to the statement made by the minister on this occasion and have since that time—up until the time of the vote—considered carefully whether I should be in a position morally to vote for it or against it. Fortunately, my colleagues and I in this group as true Liberals were guided by our conscience and our experience in our decision in voting for or against the principle of the bill.

As far as I am concerned I have always felt in a dilemma, in that I am incapable in deciding whether I am completely for abolition or completely for retention. In spite of the fact that I have had some limited experience as defence counsel in four murder trials, I have not been able to reconcile in my mind that there should be complete abolition, and I have felt there should be retention of the maximum penalty for at least two classes of crime. Therefore I found it within my conscience to vote affirmatively for this bill in principle.

But having regard to the heart of the bill, that is clause 2 of Bill No. C-92, perhaps I may point out that from my own experience and my reading on capital crimes which have occurred within this country it appears that a very high percentage of them—and these figures, so far as I know, are not available—have occurred by reason of the relationship between men and women, whether it be two men fighting, or the husband causing the death of his wife, or the wife causing the death of her husband. I suggest to the minister that because of the intensity of this relationship a deterrent is seldom present regardless of the provisions of the criminal law. When it is considered that, added to this particular fact that crimes arise mainly because of the man-woman relationship, there is the fact that in most Canadian crimes there is an element of the use of alcohol, I think this more than ever points up the fact that a deterrent does not exist; because when one commits such a crime, either arising from the man-woman relationship or because of the excessive use of alcohol, there is no deterrent which works on the mind at that moment.

This being the case, I have felt that if there is any deterrent at all to causing the death of another person it must be the thought of being apprehended, and not of what would occur following that. Perhaps even more so, when one considers a deliberate murder, where one has made a deliberate plan involving more thought, perhaps a higher intelligence, if anything were to deter that person it would be more likely to be life imprisonment rather than the ending of a life by hanging.

Because of the gaps which are in the legislation I would like to identify myself and my remarks, with the two hon. members from my party who have already spoken, the hon. member for Maisonneuve-Rosemont and the hon. member for Essex East, inasmuch as I would ask the minister to make arrangements for a further study by those who have had experience in this field prior to bringing the bill to a vote for final decision.

In particular I would ask the minister why it is that this bill contains no provision for one of the most important things which the public should protect, that is, the possibility of the death of a prison guard during the course of a prison riot. Hon. members will recall that in the last few years there was one of these in the state of Michigan where a Canadian was involved, where there was a riot and a guard was killed. In this incident the Canadian had been sentenced to life imprisonment for murder and could not be sentenced to anything further.

Under the legislation which is now before us, if there is an attempt to escape from prison or lawful custody and a murder is caused, it is a capital murder. However, if there is a riot, during which there is an unpremeditated killing, nothing in this legislation makes this a capital murder. In the interests of protecting those who must work in our maximum security penitentiaries, I suggest the minister should give consideration to this type of killing which, for the general good of the community, should be included as capital murder.

In every case involving a second murder, I suggest it is certainly necessary to retain the death penalty. In the British homicide act of 1957 there is a provision stating that an individual who is convicted of murder for a second time must pay the supreme penalty. While I appreciate that under the provisions of the act before us if a murder is deliberate, whether it be a first or second one, in all likelihood the culprit will pay the maximum penalty, it is not beyond the realm of possibility that an individual could commit two non-capital murders. I suggest that one should not be entitled, to use the phrase of the Prime Minister this morning in respect of another matter, to more than one bite out of the cherry. If an individual is so skilful as to cause the death of two persons on different occasions I submit the state should demand the death penalty in respect of the second murder.

There is another provision contained in the British homicide act of 1957 which I recommend to the minister particularly for the protection of police officers in Canada. I appreciate that English police officers are unarmed, which is not the case generally in Canada. However, in most provinces of Canada police officers are not only ill trained but ill paid, and must assume the risk of dealing daily with criminals and the risk, more than any other private citizen, of thereby being injured or killed, I suggest there are great benefits, for the good of the state and of those people who stand between us and the criminal element, to be derived by the inclusion of that provision of the British homicide act retaining the death penalty in respect of the killing of police officers.

I can recall, as I am sure all hon. members will, that this has happened once or twice in the last ten years in the province of Ontario, causing great public outcry because of the necessity, in this ever more complex society, of depending upon those individuals to protect us from the criminal element.

Bearing in mind that the present legislation seeks to make a difference between capital and non-capital murder based mainly upon the element of deliberation, whether it be under paragraph (a) or (b), there is no provision in this legislation, as there is in the British homicide act of 1957, in respect of an individual who suffers, not from insanity, as judicially defined, but from diminished responsibility. I should like to refer to section 2 of part 1 of the British homicide act of 1957, which reads as follows:

> 2. (1) Where a person kills or is a party to the killing of another, he shall not be convicted of murder if he was suffering from such abnormality of mind (whether arising from a condition of arrested or retarded development of mind or any inherent causes or induced by disease or injury) as substantially impaired his mental responsibility for his acts and omissions in doing or being a party to the killing.

Surely this principle should commend itself to the minister and hon. members of this committee. If the essential element to be used in differentiating between non-capital and capital murders is the element of deliberation, these poor unfortunates in our society, many of whom are attracted to a criminal way of life, who are incapable of being completely responsible for their acts who are incapable of that, *mens rea* which must always be proved, should never be placed in jeopardy of being hanged.

I have in mind, Mr. Chairman, the following situation. A person in full charge of his mental capabilities hires an individual who is mentally retarded to accompany him in committing a bank robbery. The mentally retarded individual equips himself with a weapon. He is not given the weapon by the person who planned the robbery but provides it for himself, so the individual actually in charge of the robbery cannot be convicted of counselling or procuring the other person to acquire this weapon. The two go together to the bank where the one in full possession of his faculties commits the robbery and is the only individual actually involved in the robbery. During the robbery the individual who is mentally retarded, through fright or for some other reason, fires at and kills a person in the bank. As I read the legislation before us the mentally retarded individual, who had not considered murder but who committed murder during the course of the

robbery, is liable to be hanged while the other person, fully aware of what he was doing, not having planned the murder but being unmindful of it, cannot be convicted of a capital offence.

I have outlined some problems and situations which have occurred to me within the last few days. I certainly am not an expert regarding the crime of murder, either as it exists presently or as it appears in this bill. However, I suggest there is in this chamber at the moment an individual who has had experience with a great many cases of this type. That is the chairman of the national parole board, now sitting before the minister. As a magistrate in the county of Welland he frequently presided at preliminary hearings on charges of murder, and I do not know of any individual who has been in a better position to see the day to day effect of such crimes in a community, either from the position of the defence or of the prosecution.

So I suggest to this committee that when someone as inexperienced as I am can make four or five suggestions which require consideration, surely there are many more qualified individuals who should be heard before this committee makes its final decision.

May I call it one o'clock?

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

The Acting Chairman (Mr. Chown): Shall clause 1 carry?

Mr. Godin: Mr. Chairman, on the first full day of discussion of this most important bill I consider it a privilege to take part in the debate. I appreciate the remarks which other hon. members have made, but I must say I find it most unfortunate that, although some members on the government side have spoken for a minute or two, no one has helped hon. members who are to make a decision by an analysis of this most important legislation or have given the necessary details to indicate that this bill meets the requirements of our Canadian society at this time.

Before we vote on clause 1, I trust that members from all sides of the house will have expressed the reasons why they find this is the legislation on capital punishment that is required in Canada today. I trust that we shall not leave it to the Liberal opposition alone to scrutinize this bill which we are now studying clause by clause to ascertain that the protection of our society is fully met by this legislation.

Although I appreciate the remarks made by the Minister of Justice, I must say that he has in no way given a substantial reason why he supports the new ideas, opinions and laws which he hopes will help to solve this important problem. We know of no public document this government has received which contains instructions or opinions of specialists on the matter. There is no such public document in the possession of any member of the House of Commons. We know of no special committee set up to study this matter and define and phrase a statute of this importance. As I say, we do not know why this bill was not referred to a committee to make sure that it incorporates all the protections which would meet the desires of the Canadian people and possibly the desires of specialists in the matter.

We all recall how the bill of rights was improved by the study given to it by a special committee formed for that purpose. I for one am absolutely surprised at the conduct of this government in asking hon. members to pass upon a bill the phraseology of which we cannot individually analyse, nor do we know the significance of all its details. This is why I should like to see members on the government side of the house give reasons why they feel that clause 1, which we are now discussing, meets in full the desires of the Canadian people.

Recently I said I agreed with the principle of the bill. I am one of those who feel that it is important at this time in our history to solve some of the problems which pertain to capital punishment in our country. This is what we are doing, and this is what the Canadian people whom we represent are thinking about for two or three reasons. I should like hon. members on the government side to realize this and to give opinions which would be constructive in the study which we are now giving to this legislation.

We know there has been difficulty with juries and judges who found their hands tied because the law did not give them the directives required to reach a proper, honest and justifiable decision in the matter. We know also that in Canada people resent the fact that with respect to practically every conviction for murder, where capital punishment is imposed, the final decision rests with the cabinet of this country. I do not wish to discuss the royal prerogative in regard to pardon, but I believe the view is commonly held among people throughout Canada today that we must try to find a way to end the procedure whereby the final court of appeal in murder cases is the cabinet.

We know that in the past the royal prerogatives were limited. I only have to recall to the minds of hon. members the television

program of a few days ago wherein Baldwin insisted that the crown should not change a law which the representatives of the people had decided to pass. Hon. members know that is so, and I am afraid that the way this legislation is phrased it will bring about a greater degree of inconsistency.

Mr. McGee: No.

Mr. Godin: The hon. member for York-Scarborough says no, but I should like to indicate to him the problem that the people of Canada see so far as capital punishment is concerned. Our judges and juries find their hands tied because of the lack of a proper definition of the crime which should deserve capital punishment. On the other hand, I believe the Canadian people do not see any good reason why the final court of appeal with respect to murder should be the cabinet of Canada, which is composed of politicians.

There are three divisions in the administration of the affairs of our country. There is the legislative body, this House of Commons. There is the judicial section composed of judges and juries in accordance with our method of administering justice. We also have the division which is composed of crown attorneys and policemen. Having regard to the problems with respect to capital punishment and the criticisms that are made, I say it is our duty to make sure that, on the one hand, we keep the decision as to capital punishment out of the hands of politicians and, on the other hand, out of the hands of those people employed in the administration of justice.

I find after analysing the bill that it brings about a situation whereby the authority of politicians in the matter of capital punishment is increased, as is the authority of those people who are employed in the administration of justice. It is unfortunate that I can speak on clause 1 only and not go into how it may be related to other clauses of the bill. Members of the house will recall the television program some months ago in which part of the process of hanging was depicted, and which I understand some company refused to sponsor. However, the C.B.C. undertook to make the program available to the Canadian people, and I was impressed by it. If I recall correctly the title of the play was "The Case of the White Horse". If I may give the story briefly, a small community miles from anywhere found that a murder had been committed within the community. Someone had seen a white horse being driven through the town on the night of the murder. No one in the community owned a white horse, and as the town was without any system for the administration of justice they created their own. That is what we are trying to do in this bill and that is what preceding parliaments have tried to do, create a law whereby people can judge for themselves.

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

Mr. Godin: Yes.

Mr. Martineau: Is it his considered opinion that it is the role of parliament to enact the law?

Mr. Godin: I am surprised to hear such a remark by the parliamentary secretary to the Prime Minister. Is it the function of parliament to make the law?

Mr. Nesbitt: He asked a question. Answer it.

Mr. Godin: The hon. member has asked me whether it is the function of the government to make the laws of this country.

Mr. Martineau: This parliament.

Mr. Godin: I am surprised that such a question should be asked by an hon. member elected to this house. We know that there is only one major legislative body in Canada, and that is the parliament of Canada.

An hon. Member: Answer the question.

Mr. Godin: I am not answering because it is obvious to anyone walking the streets who has any brains that parliament is the only body that can make the law with regard to those matters which come within its powers under the British North America Act. Why should an hon. member, especially the parliamentary secretary to the Prime Minister, ask me whether I feel that parliament should make the law? That is our only function; we have no other. We have nothing to do with the administration of justice or with our judiciary. It was made certain in the British North America Act that we would have nothing to do with the judiciary or with the administration of justice. I am absolutely opposed to the expression of the view by anyone that our jurisdiction goes beyond that of making the law or that we should tell our courts what they should do and what decision should be made. That is why I am speaking on this very subject. That is why I say that in amending the code so far as capital punishment is concerned we should do so in a way that will remove the function of the cabinet in this regard.

I am not saying there is no such thing as the royal prerogative to pardon. That should exist, but it should continue to exist as something to be used only in the most extraordinary circumstances. It should not be embodied in our Criminal Code by making provision, as the bill does, that a jury may ask the cabinet to exercise clemency. I say

that the politicians should stay out of this matter, and our crown attorneys should do likewise. Our crown attorneys should not be able to say that this Canadian citizen will be tried on a murder charge for which the punishment is hanging while another citizen will also be tried for murder but under a charge for which the punishment is not hanging. That is what the bill sets forth.

I heard hon. members speak on second reading of the bill. I heard the hon. member for Dufferin-Simcoe, who said he was opposed to this change if it means that we will be trying to protect the criminal rather than Canadian society. I appreciated what he said, and it is most unfortunate that he is not here today. I should like to ask him to support my views about the bill which gives extended power, in that it practically makes the cabinet a part of our judicial process. It makes the cabinet of Canada the final court of appeal for murder. It also gives crown attorneys and police officers the power to decide who will face hanging if he is found guilty and who will face life imprisonment. I am absolutely opposed to that.

Mr. McGee: Will the hon. member permit a question?

Mr. Godin: After I have finished my remarks I will be prepared to answer any questions. I am convinced as to this matter as I have never been before with regard to anything else. I have a great appreciation for the way justice is administered in Canada, but to give those who administer justice the opportunity, duty and function to decide who is going to face hanging and who is going to face life imprisonment is not in my view the type of improvement in the law that the Canadian people want to see implemented. It is not the type of improvement that the legislators in this house should try to formulate.

I realize that it is most difficult to be precise in describing all crimes and the circumstances that go to constitute each crime. Our duty today is not to get up and congratulate the Minister of Justice on this wonderful bill. Our duty today and this week is to study this bill and see what results it will have in Canadian society. We have no other function but to sit here today, tomorrow and the balance of this week to study this bill, and for that reason I am pleased to take advantage of this occasion during the clause by clause study of the bill to give to the minister some of the opinions I may have. It is possible that my opinions are not the best. I realize, Mr. Chairman, that the Minister of Justice will not ask the Liberal opposition to create the bill which this government decides to pass.

We know that a special committee of the Senate and House of Commons of Canada studied this subject and made a report in 1955. Other members have mentioned this. The report was not favourable to a bill of this type. A study of this subject was undertaken in England in 1957, although England has no criminal code such as we have in Canada. After this study was completed the government decided to pass a homicide code which pertains to murder only, and this code contained certain sections to which the hon. member for Essex East and the hon. member for Niagara Falls have referred. The government of the United Kingdom had reasons for placing certain things in that bill which we do not find in this bill.

If I may return to clause 1, Mr. Chairman, I must state that after reading it I was most surprised. It is especially surprising when read in conjunction with other clauses of this bill, such as clause 7 and clause 13. I realize that I should not embark on a discussion of these other clauses at this time and should limit my remarks to clause 1. However, I am sure the Minister of Justice and others will permit me to discuss clause 1 in so far as it relates to other clauses or could be complicated by other clauses which we find in this bill.

What do we find, and what is the first surprise in this clause? We know that in Canada today we have the crimes of murder, manslaughter and other forms of homicide such as infanticide. We are trying to arrive at a definition which will assist judges and juries in making a finding one way or the other in so far as capital punishment is concerned. I should like the Minister of Justice to try to follow the reasoning which I am about to advance.

Mr. Bell (Carleton): That would be a devious path.

Mr. Godin: Hon. members opposite may find it very funny, but in clause 1 we find this when we are trying to ascertain whether murder is capital or non-capital:

> Murder is capital murder, in respect of any person, where—

Now, Mr. Chairman, if I were to ask anyone, "Did you hear about the murder which was committed in respect of the Minister of Justice", would that question be construed to mean that the Minister of Justice had killed someone or that the Minister of Justice had been killed? As I understand the English language, when someone refers to a murder in respect of a person he is referring to the person who has been killed and not the person who kills. Now, the problem goes further—

Mr. Martin (Essex East): May I ask the hon. gentleman a question?

Mr. Godin: Yes.

Mr. Martin (Essex East): I should like to ask a question on this point so that I may clearly understand the hon. member's thinking. I believe it is an important point. Does the hon. gentleman not think that the answer is provided in clause 2 (a), where it is clearly indicated, it seems to me, by the phrase "on the part of such person"?

Mr. Godin: I thank the hon. member for Essex East for his question, and it is a pertinent one which I am prepared to elucidate. I suggest that the second paragraph to which the hon. member has referred relates to the first one because of the use of the word "such". Paragraph (a) plainly says, "on the part of such person", and in the French translation we find the words "à l'égard de".

I shall give an illustration of the arguments that might be used by lawyers in such cases. If I deliberately plan to kill A, who is supposed to be at a certain street corner one night carrying a million dollars in a yellow envelope, and I deliberately plan to kill him for the purpose of getting this envelope, but when I go to that street corner at the precise time somebody else comes along and I kill him only to find out it is not A but B, then according to the wording of this bill I could only be found guilty of non-capital murder. You can only be found guilty of capital murder if you kill the person you intended to kill. This is the way this bill will work.

I see the hon. member for Carleton shaking his head in the negative. I realize that the intention of the Minister of Justice is to relate the offence—

Mr. Fulton: If my hon. friend would permit an interruption, I may say that what my hon. friend has just said is complete nonsense. If he will look at section 202, which is preserved in this bill, he will realize that what he has just said is quite wrong.

Mr. Godin: The only reason the Minister of Justice cites section 202 is because I referred to the yellow envelope.

Some hon. Members: Oh, oh.

Mr. Godin: I recall to you, Mr. Chairman, that section 202 only refers to a murder which is committed while you are trying to commit a felony. If a man kills another person because he is the lover of his wife, he does not kill him because he wants to commit a felony. He kills him because he wants to do away with him. The Minister of Justice has indicated to me that I should be very precise. Let us leave the yellow envelope out of our consideration. Let us say the man he went to meet at that corner was the lover of his wife and he wants to do away with him. He goes there for the purpose of killing him. How does section 202 come into play in that case? It seems to me that if you kill the wrong person you are not guilty of capital murder, according to this bill, and not subject to capital punishment. It may be, as the minister has mentioned, that if you apply force during the commission of a felony you fall within section 202, that is while you are trying to get the yellow envelope.

I am surprised, Mr. Chairman, that the Minister of Justice should be distracted by the fact I used the yellow envelope as an example, and not the case of the lover. What about the person who wants to do away with the milkman and does away with the bread man by mistake? I am prepared to admit that the Minister of Justice definitely wanted to tie capital punishment to the person who committed the offence and not the person who was the victim of the homicide; there is no doubt about that. However, the words used make it clear to everyone that judges and juries will be forced to say, "It is written this way but we must find, for the purposes of equity and justice, that this pertains to the person who committed the offence". Therefore even if this person committed murder against the wrong man, they must still find him guilty because of the way the bill is worded.

(Translation):

Mr. Chairman, I should also like to make a few remarks on the use of the adjective "deliberate", in section 2(a) of the act.

The word "deliberate", according to the dictionaries, does not have quite the same meaning in French as in English. The English word means that someone has done something "without impulse", "without deliberation", while according to the French dictionaries, the word "deliberate" rather means "voluntarily".

I recognize that the Minister of Justice, who considered the English version in the first place, just as I did, will say that if there is any difference as between the English and the French texts in Canada, the meaning of the English terminology must be accepted.

However, I fail to see why a province should always, in regard to that section, have to go by the rule requiring that the English interpretation be the criterion.

I feel we should try to find a translation involving no distinction between the two languages, such as there is now between the words "deliberate" and "délibéré".

For instance, on the basis of the French terminology, I would say that a man, finding himself betrayed in his love for his wife, might go into his garage, shed or basement, pick up a gun and kill the guilty party.

There is no doubt that on the basis of the English version, this individual would get away, because his action would have been prompted by an insult. That is what is meant by the word "deliberate".

However, on the basis of the word "délibéré", he would be guilty, because a man who goes to his shed and picks up a weapon to kill another man does so voluntarily.

Perhaps the distinction is rather fine, but I would remind hon. members that it is important to look at the wording of the bill.

(Text):

Mr. Chairman, I could mention other flagrant misgivings which arise out of clause 1 of the bill. In subclause 2 (b) (i) it says that murder is capital murder, in respect of any person, who—

—by his own act caused or assisted in causing the bodily harm from which the death ensued.

Then in (ii) and (iii) we find these words. For instance, (iii) says:

—by his own act stopped or assisted in the stopping of the breath from which the death ensued.

This apparently means there were differences of opinion in the mind of the Minister of Justice or whoever drafted this bill. If a person chokes somebody, only the person who actually does the choking can be found guilty, but in subclause 2 (i) it is said:

—by his own act caused or assisted in causing—

Surely lawyers will discuss this and juries will listen to a case where perhaps someone flies somebody in his airplane 50 miles to commit a murder, or takes him to the place of the murder, and the jury will decide that person is guilty of assisting in causing bodily harm. I think the Minister of Justice should study the problem in relation to the differences in subsection 2 (i), (ii) and (iii).

I am sure that in a case where a man has no way of getting to a place where he wants to commit a robbery, and at the time the robbery is committed he is forced to shoot and kill somebody, under section 202 the crown will argue, quoting subsection 2 (i) of this bill, that the driver of the automobile should be found guilty. But with regard to the driver of the automobile in the case where somebody has been driven to choke a person to death, the driver cannot be found guilty because this specific, concrete clause is contained in the bill.

The Acting Chairman (Mr. Chown): Order. I am sorry to interrupt the hon. member, but his time has expired.

Some hon. Members: Carry on.

The Acting Chairman (Mr. Chown): Has the hon. member the consent of the committee to continue?

Some hon. Members: Agreed.

Mr. Godin: Let us take it slightly further. In other clauses these words are used "assisted in applying the force". We know that murders have been committed and will in all probability be committed in the future by people who are practically wholly unaware of what they are doing. I should like the Minister of Justice to follow this example and give consideration to this matter. Suppose a doctor wanted to do away with a certain person and prepared a lethal injection for that person without his nurse knowing anything about it. The doctor would say to the nurse. "Mr. Jones is coming in at three o'clock. Tell him I have prescribed this injection and give it to him". Then the nurse would be the one who actually applied the force, in the form of the injection, from which that man died. Under this bill she would be guilty of the offence of murder.

I realize that hon. members will say, "The question of *mens rea* comes into it, and she was not aware of what she was doing". I agree that this question and others enter into it, but are accused persons always capable of giving evidence that should be given to show they had no *mens rea* and were actually no party to the offence? I think the words "knowingly assisted" in applying the physical force whereby a person dies should be put into the bill. Even then I am not sure this would solve the problem. As I have told the committee on previous occasions—

Mr. Browne (St. John's West): Mr. Chairman, I wonder whether I could draw the hon. member's attention to section 201 which reads:

201. Culpable homicide is murder

(a) where the person who causes the death of a human being

(i) means to cause his death, or

(ii) means to cause him bodily harm that he knows is likely to cause his death, and is reckless whether death ensues or not;

(b) where a person meaning to cause death to a human being or meaning to cause him bodily harm that he knows is likely to cause his death, and being reckless whether death ensues or not, by accident or mistake causes death to another human being, notwithstanding that he does not mean to cause death or bodily harm to that human being; or

(c) where a person, for an unlawful object, does anything that he knows or ought to know is likely to cause death, and thereby causes death

to a human being, notwithstanding that he desires to effect his object without causing death or bodily harm to any human being.

If the nurse were completely ignorant of what the syringe contained, she would be perfectly innocent and could not be charged at all.

Mr. Godin: I am just stating the problem. I realize that if the nurse could prove she had no intent that would be the case, but accused persons are not always in a position to furnish the evidence that is required for a jury to find they had no part in the offence.

I realize that the clauses of this bill do not abolish those matters which may be given in evidence by an accused person, but we are trying to establish when a person shall be judged guilty of capital murder and thereby suffer capital punishment and hang, and when a person shall be found guilty of non-capital murder and therefore will not hang. I am suggesting to the committee that this matter should be given careful consideration. I am not saying that in no way will anybody be able to obtain justice in our courts. I am giving these examples, and more specifically the last example to illustrate my point. I know that if there is absolutely no *mens rea* and the jury finds there is no *mens rea* or intent, the person accused cannot be found guilty of murder. I admit that.

However, sometimes these circumstances are not easy to prove. I feel that as we are now considering how the Criminal Code should be worded in order that proper direction shall be given to judges and juries, our consideration should be as complete as possible and the Criminal Code should be worded in a way that would meet to the fullest extent the different circumstances which may arise. I repeat that I am confident no government would be capable of formulating a statute which would satisfy the requirements of the situation 100 per cent. But it is not enough merely to congratulate the Minister of Justice. We have the duty to ensure that whatever measure we do enact will meet the situation to the best of our capacity and knowledge.

I should like to raise one question in particular concerning clause 1. I think the duty of distinguishing in the first instance between the two classes of murder should not rest in the hands of whoever is bringing the prosecution. It will be my intention to suggest later that the whole of clause 7 should disappear. It is my view that everyone committing a capital crime of the nature covered by one or other of the two classes of murder should first of all be charged with the crime of murder to find out whether he is guilty of having committed a murder at all. If a jury found that a murder had been committed by the accused, then direction would be given to them by the judge to find, further, whether that person is guilty of capital murder or not. In this way all Canadians committing capital crimes would be faced with the same murder charge. It is my view that if this proposal were adopted it would reduce possible confusion among juries. I know how long and difficult are some of the charges made by judges to juries in murder cases.

It is true there are other fields where the crown attorney can make important decisions with regard to the nature of the crime with which an accused person is charged. The most serious example which occurs to me is the case where the prosecuting officer may choose to proceed on a charge of manslaughter rather than murder. But I say that at this time when we are altering the legislation concerning capital punishment, our court officials should no longer be in a position virtually to decide which person is to face a charge involving hanging and which person is to face a charge involving imprisonment for life. I am not prepared at this time to put forward a formal resolution or amendment, but I am sure the discussion on this clause will continue for some time and I shall almost certainly find it necessary to speak further on some of the amendments which are placed before the committee.

There is another feature about this bill which I find surprising. Although the United Kingdom parliament in 1957 exempted from liability to the penalty for capital murder anyone with a certain degree of mental instability, there is a clause here which provides that any man whose birth certificate shows he was younger than 18 when he committed an offence may escape the death penalty, though he may well have the intelligence of a man of 25. But in this country if it is found that a man has the mentality of a 12 year old, which is the Christie case, he can be hung. Surely the penalty for the crime of murder should be attached not to the birth certificate he carries but to his capacity to commit murder, knowing full well what he is doing. Why should a person who has a birth certificate proving that he is younger than 18 escape, although it may be recognized in court that he has a superior intelligence, while a man whose birth certificate shows he was over 18 at the time the offence was committed but whose intelligence turns out to be that of a 12 year old, will incur the fullest rigour of the law? I think the minister should give us an explanation of this point before we proceed very much further.

I appreciate that members of the committee have given me an opportunity to continue

after my time expired. I will avail myself of other opportunities later to discuss certain other phases of the bill.

Mr. Aiken: May I ask the hon. member a question? He mentioned during his address that the decision as to whether a charge of capital murder or non-capital murder should be preferred ought not to be left with the crown attorney. Can the hon. member tell me how this would differ from the present situation, where the crown attorney has the duty of deciding between a charge of murder and a charge of manslaughter?

Mr. Godin: Yes, I shall be pleased to give the hon. member my views on that. The present bill does not deal with manslaughter as it is defined in the Criminal Code. I am confining my observations to the present bill, which deals only with murder. It is true that at present a police officer may choose to charge a person with manslaughter or he may choose to charge him with murder. We are not being asked to alter that. I am not saying I fully agree with the present system, but I do not disagree with it as completely as I do with the circumstances envisaged in the present bill, where a policeman or a crown attorney will be given the responsibility of deciding whether a man is to be charged with one class of murder, which is punishable by death, or another class of murder which is punishable by imprisonment for life.

Mr. Denis: As far as I can see there is plenty in this bill to please those who are in favour of the abolition of capital punishment. Those who are against abolition may also find something to say in favour of the bill, because there are a great many contradictions contained in this measure. There is even contradiction between clause 1 and the explanatory note. I should like to draw the attention of the minister to what I think is an inconsistency arising from clause 1 subclause (2) (i), which reads:

> Murder is capital murder, in respect of any person, where—
>
> (b) it is within section 202 and such person
>
> (i) by his own act caused or assisted in causing the bodily harm from which the death ensued.

Now I shall read the explanatory note at the end of the page:

> What is provided by the new section 202A is that of all those crimes which may be murder as defined, only murder of a calculated and deliberate nature shall be capital, or murder committed in the course of carrying out any of the crimes mentioned in section 202—generally speaking a crime itself involving the use of force or stealth, thus importing the element of deliberation. Under the latter alternative, however, only the person who actually committed the act or applied the force causing death, or counselled the doing of it, would be guilty of capital murder.

That is in contradiction with the provisions of the measure itself. The law states that an individual is guilty of capital murder and liable to capital punishment if by his own act he has caused or assisted in causing the bodily harm from which the death ensued.

Mr. Fulton: If the hon. member will consult subparagraph (v) he will see that the individual is also guilty of capital murder if he has counselled or procured another person to do any act covered in this section.

Mr. Denis: I should like to present a hypothetical case to the minister, in respect of which I hope he will give an explanation. Suppose a group of five individuals decided to rob a bank, and two of them confronted the tellers in the bank, one watched the doorway inside, one watched the doorway outside, and one acted as driver of the getaway car, and during the course of this robbery one of the individuals killed the manager of the bank. According to this proposed legislation only the individual who shot and killed the manager would be liable to capital punishment.

Mr. Fulton: Unless—

Mr. Denis: Yes, unless he was close to an individual who told him to shoot. However, the guard behind the door, the outside lookout, and the driver of the car, all bandits of the same gang, would not be liable to capital punishment. Only the individual who shot the manager would hang, so it would take five such robberies in order to get the whole gang. Four fifths of the gang would be completely safe from hanging. In light of that interpretation of this proposed legislation, I suggest those individuals who are in favour of the abolition of capital punishment will be in favour of this bill.

Mr. Carter: Mr. Chairman, having listened to the contributions made by learned lawyers in this chamber, perhaps a few words from a layman would not be out of order at this time. I did not speak on second reading of this bill because I had not had time to study it thoroughly. However, I should like to take advantage of this general discussion on the first clause to state my position and lend support to the request put forward by my colleagues on this side of the house that this legislation be sent to a special committee for further study.

This is a very important piece of legislation, perhaps the most important to be dealt with this session. It is a very difficult piece of legislation to evaluate. Since we are not dealing with it in a partisan manner, it is important that everything should be said and done in order that the public may be fully informed in respect of what this legislation

will accomplish, and as to how it compares with the legislation it will replace.

Mr. Fulton: This does not replace anything; it adds to it.

Mr. Carter: It is amending legislation.

Mr. Fulton: There is an important distinction involved. This does not replace anything, but adds a provision that there shall be two degrees of murder. There has to be murder in the first place; only then the question will arise, is it capital or not?

Mr. Carter: I agree with the minister's interpretation and thank him for his correction. I readily admit that what we are adding by this legislation is an improvement, but there are some features which are perhaps objectionable. I suggest the legislation would perhaps be more desirable if those objectionable features were left out. I suggest that is something which could be better determined by a special committee than in the way we are dealing with it here.

The wide difference of opinion which exists among various members of this house in respect of this legislation was very evident last Wednesday in the vote which took place then. The members who strongly advocated the abolition of capital punishment voted in favour of this legislation because they felt it was a step in that direction, while those members who were perhaps equally in favour of the retention of capital punishment voted against this legislation because they too felt it was a step towards abolition.

Mr. Jones: Perhaps the hon. member would tell us which parts of this legislation he feels should be left out.

Mr. Carter: If the hon. gentleman will possess his soul in patience I shall try to outline those portions.

Mr. Jones: We should like to know what they are.

Mr. Carter: They will come out in the wash.

Mr. Bell (Saint John-Albert): It will probably be dirty wash.

Mr. Carter: Editorials and press comments in respect of this legislation have generally been quite favourable. That favourable comment has been more or less based, I suggest, on the assessment that this legislation represents a step in the direction of the abolition of capital punishment. The minister has denied that assessment and, in fact, has quite properly pointed to the fact that this legislation does retain capital punishment. Last Wednesday I voted against this legislation because that vote had to do with the principle of the bill, the retention of capital punishment. I am personally opposed to capital punishment for two reasons, which I shall attempt to outline briefly.

The first reason is that in spite of all the precautions which may be taken, as well as the safeguards written into the legislation, innocent people have been hanged. We know that as a fact. In my view that fact outweighs all the deterrent value of capital punishment, which I understand is the main reason for its retention. The second reason I oppose the retention of capital punishment is that I feel society itself is to some extent responsible for the guilt of accused persons. When an individual is born into this world he is either normal or handicapped. If an individual is born handicapped and later commits murder, there is no way of knowing to what extent the murder resulted from the handicap which he inherited. On the other hand, if an individual is born normal and becomes a criminal, he does so to some extent as a result of his environment. In view of the fact that society is responsible for the environment which leads to the development of that type of individual, it is my belief that society is to some extent responsible for the crimes that person commits.

Since society is responsible for the imposition of capital punishment, that society is to me likened to Pilate washing his hands of the whole business. Furthermore, I believe in the principle that society should not take away something which cannot be restored. When the life of an innocent person is taken away by society in error, that life cannot be restored. I also oppose the retention of capital punishment for that reason.

The curious thing in respect of this legislation is that the minister states it retains capital punishment because of the evaluation of public opinion in Canada as being in favour of retaining the death penalty. I believe it is true that this legislation retains capital punishment on the basis of its deterrent value. I fully agree with that. I think that for the normal person the death penalty is a very strong deterrent, perhaps the strongest there is. But a curious thing about this legislation is that it has abolished the death penalty for all those groups of people who would be most likely to be deterred by it, and it has retained the death penalty for the professional, calculating criminal who is the least likely to be deterred by it. Therefore, on the one hand we are retaining a principle, and on the other we are lessening the deterrent value on which the principle is based.

Surely the object of our legislation should not be to classify types of murder but to

deter killing, to save people's lives and to prevent killing. If a person is killed it does not make much difference whether he is killed by somebody whose crime is going to be classed non-capital or by somebody whose crime is going to be classed as capital murder. It certainly does not alter the fact that the person is dead. What we wish to do is to try to lessen the number of killings. If the deterrent value is valid at all, then we should be extending it, but in this bill we are diminishing it and reserving it only for those groups of people who are least likely to be deterred at all.

As I said, there are some good things in this bill, but I have pointed out one of the objectionable features that my hon. friend inquired about. I think the age limit and the automatic appeal are desirable features, but we are dealing with this legislation in a non-political way. I think the proper thing to do is to send it to a committee where we can get expert opinion from people versed in the practice of criminal law so that we can produce the very best piece of legislation possible. At the same time I think we should inform the people fully as to what the difference is between this legislation and the present legislation, or what we are actually adding to the legislation already in existence because actually when it is evaluated I do not think we are adding very much; in fact, we may be taking away more than we are adding to it.

Mr. Nugent: Mr. Chairman, I should like to pass a few comments on this legislation. I listened with interest to some hon. members who spoke this morning and this afternoon. Because of the remarks made by the hon. member for Maisonneuve-Rosemont, the hon. member for Essex East and the hon. member for Niagara Falls, I thought the record might give the impression that there were not many men in the house learned in the law and well qualified to consider all the ramifications of the bill before us. I think the tenor of the remarks expressed by those three I have mentioned amounted to this, that we really should send this bill to a committee or hold it up for further study so that we could bring in some people expert in the law, some who have had considerable legal experience and who can advise us on what might be the effect of this bill.

Just for the record, Mr. Chairman, I started to look over the composition of the house and the legal talent available. While I am not acquainted with the experience and qualifications of all hon. members, I do know that on the government benches, for instance, we have some very outstanding legal talent. The Prime Minister has a reputation in this field which I think is familiar to all hon. members and indeed it is well known across the country. He is ably supported by the Minister of National Revenue who has an outstanding reputation as a barrister. The Secretary of State has a big name in the province of Quebec as a crown prosecutor and defence counsel. The Solicitor General has some 15 years' experience on the bench plus many years at the bar. Therefore, I submit, Mr. Chairman, the cabinet itself is well represented in experience by people who have had much to do with criminal law and capital cases.

The talent is not limited to the cabinet benches, however. We have such outstanding barristers as the hon. member for Parkdale who is perhaps the country's leading criminal lawyer. We have from the province of Alberta the hon. member for Peace River who has many years of outstanding service at the Alberta bar, and his trial experience includes I believe some 20 murder cases. There are other members scattered throughout the house; for instance, the hon. member for Peel has behind him, a pretty fair amount of criminal law work in the general practice field and it includes some capital cases. The hon. member for Victoria, (B.C.) has had a very wide and distinguished career at the bar, including a lot of criminal work.

I have mentioned those members whose experience and reputation are known to me. I have not attempted to make an accurate survey of the house, as I am sure there are probably a good many other lawyers in the house who have even more experience than some of those I have mentioned.

Out of my own career and experience I would mention only one case. I have had only one murder trial, but I think the committee might find it of interest because it is my considered opinion that while the man I defended was charged with murder—he was convicted of manslaughter—I am convinced that had he been charged under this legislation he would have been charged with capital murder and would have been found guilty of non-capital murder. The point I make is that for a long time we have had juries reluctant to bring in a verdict of guilty of murder where a man was going to hang for it. They have tended to bring in a verdict of manslaughter and in some cases where that has not been possible I believe that some murderers may have escaped conviction altogether because the jury just would not condemn them to death. Therefore, by this legislation I think we shall get a little more proper administration of justice in that we shall have convictions where there should be convictions without fear of too much punishment.

I should like to comment just for one minute on the remarks of the hon. member

for Nickel Belt who seemed to be obsessed with the fear that it was too much of a load for the crown prosecutors to ask them to decide whether or not they should arraign a person on a charge of capital murder or non-capital murder, and who seemed not to be able to understand murder and manslaughter as we have them now.

I suggest that the burden on the crown is going to be even easier now, if it is to be changed at all. I believe that the crown prosecutors normally charge the most serious crime that can possibly be sustained by the evidence they have to consider. In that way they cannot make any mistake because if the evidence falls short of the most serious offence the jury can always find for the lesser offence, and I really fail to understand the hon. member's considerable worry on this point.

Mr. Pearson: Mr. Chairman, I can make no claim to any legal knowledge or legal education with respect to this matter which would justify my intervention but the matter is such an important one that I feel I should say something about the bill before us, more particularly as I was not able to take part in the debate on second reading. When the minister, whose speech I regret I was not able to hear but which I have read in *Hansard*, introduced the bill he said, as found on page 5220 of *Hansard*:

> ... only on rare occasions is this house required to consider and amend or change laws or institutions that form part of the very foundation of our society.

This, Mr. Chairman, is one of those rare occasions. Capital punishment, which is the extinguishing of an individual human life, is certainly not in my view a matter of a politically partisan character when we in this house attempt to deal with it. A bill of this kind, as I see it, deals with fundamental moral values of our society and should be and is being treated in that sense in this house. Therefore, Mr. Chairman, we in the official opposition are not considering this bill in any partisan sense. It has been made clear, so far as we are concerned, that it is a matter for each of us to decide as to how he will vote and the attitude he will take in accordance with his individual conscience and his individual judgment based on considerations of conscience.

The bill has been passed in principle, and if I had been in the house I would have supported its passing. The principle, as I see it, is that capital punishment should not be eliminated but that there should be a limitation on it, through a distinction between murders for which the death penalty is provided and other types of murder. In other words, there should be a distinction between capital and non-capital murder.

In following the debate and reading *Hansard* I have been interested to note that there have been those who have opposed the bill for diametrically opposite reasons. In his introduction of the bill the minister stated, and I am paraphrasing what he said, that public opinion in this country was not ready for complete abolition. Perhaps he is right, but I wonder how he has managed to come to that conclusion. Whether or not that is the case, the bill indicates that in the minds of the government this country is presumably ready now to make progress toward the abolition of capital punishment by limiting the categories of murder to which the death penalty is attached.

There are however, some points of very great importance which are related to murder and capital punishment and which are not included within the bill. There is one I should like to mention. I ask myself, why did the government, seeing that it was dealing with this problem, omit reference to the manner or method of execution? In the report of the joint committee of the Senate and the House of Commons on capital punishment submitted on June 27, 1956, section 91, page 21, reads in part as follows:

> The committee has concluded, after weighing these considerations, that hanging is not the most satisfactory method of execution which might be employed and, accordingly, recommends its abolition.

As hon. members know, that recommendation was made after a great deal of consideration and long and careful examination. The government has not seen fit to accept this recommendation in the legislation before us, and perhaps the minister might be able to give us some information later as to why no action was taken in this regard. It certainly would appear to me, from the study I have been able to give the matter, that there are more humane methods of execution than hanging. As I see it, there could hardly be a less humane method. I cannot understand why the government did not take advantage of this opportunity to deal with that particular problem and perhaps the minister will be able to explain why when he speaks later in this debate.

As I see it, Mr. Chairman, and this point has been dealt with by other speakers on clause 1, the provisions of the bill are defective in two ways. First, in adopting the basic principle of the bill that there has to be a distinction between murders for which there is to be the death penalty and other murders, surely it is axiomatic that that definition should be drawn as precisely as possible. In a matter of this kind nothing could be much

more important than the maximum amount of precision possible when we are dealing with a question, literally, of life and death. There should be no room for doubt or uncertainty as to when the death penalty is to be imposed and in that sense, as other speakers have pointed out, it seems to me that the bill is defective and that it can be improved.

Murder in general, I admit there can be exceptions to this, requires as an element that there be an intent to kill. We ask ourselves, what additional element or what additional elements, because there may be more than one, are required to make murder planned and deliberate? The bill does contemplate such a distinction, of course, and therefore it would be up to each jury to distinguish between a merely intentional murder and one that is planned and deliberate. It seems to me that we may get into a great deal of trouble in the future in attempting to work out that definition in a way which will not create injustice.

I find it difficult myself to make up my own mind that there is a basic justification for making the imposition of the death penalty turn on that distinction. I know, of course, there can be distinctions in murder and those distinctions have been worked out in legislation in other countries, more particularly in the United Kingdom. However, the distinctions there, as I will try to point out in a moment, are not the same as those embodied in this bill.

Then, there is the effect of this bill, if it should become law, on the deterrent character of punishment. A good deal of consideration has been given to the deterrent effect of capital punishment by speakers who have taken part in this debate. I think it is generally admitted by experts who have given consideration to this matter, Mr. Chairman, and also by the minister himself in his speech, that capital punishment as a conscious deterrent against crime cannot be exactly evaluated. I have, as other members have, read a lot of statistics with regard to this. You can compare the experience of one country where there is no capital punishment with the experience of another country where there is. You can compare the experience of one country during a time when that country had capital punishment, and after it was abolished. You can compare the experience of a state in the United States which has capital punishment with the experience of one that has not. I have not, myself, been able to come to any satisfactory conclusion, merely on the basis of these statistics, because there are too many other factors that may affect those statistics and you are dealing with a question of such fundamental moral importance. So I cannot come to any final conclusion, on the basis of those statistics which I have been able to study.

As the minister himself has indicated—I am again paraphrasing his words—it is the effect of punishment in stigmatizing conduct so that the ordinary citizen does not contemplate such conduct that is probably its greatest effect; that is where, as I see it, the deterrent lies. If I may use an expression which has now become a homely one, punishment conditions the mind in the same way as Pavlov's dog was conditioned to salivate when the bell rang. We all have mental blocks created by the existence of punishment against criminal acts. I believe however, that punishment is not, itself a conscious deterrent, except in the case of the professional criminal or in one or two other instances. As the French philosopher Pascal once said, speaking in a different context, "if there were only a small probability of eternal damnation the risk of sinning would appear excessive". Well, that may be true, but it has not prevented sinners from existing in the world for a long time, nor has the existence of capital punishment prevented murder during the centuries that capital punishment has existed. Considering the number of crimes for which capital punishment once was imposed history shows that at times it has not had as much deterrent effect as the reduction in the number of capital crimes has had.

This bill seems to be founded on what I consider to be the shaky basis that a planned and deliberate murder can be deterred by capital punishment. I doubt, in practice, if this will work out. Perhaps I may give one example which was once given a great deal of attention in the press. Not long ago a young man who was crazed by jealousy went out and purchased a knife. He proceeded halfway across the city and stabbed his estranged wife. There is no doubt, Mr. Chairman, that the killing was planned and deliberate. The certainty of capital punishment did not serve as a deterrent. The individual in this case was perhaps beyond the reach, in his mind, of any deterrent. Why should the death penalty apply here, as it would I think if this man, in a momentary loss of control, killed someone yet in technical circumstances which would hardly be interpreted as otherwise than planned and deliberate?

The distinction in this bill between planned and deliberate murder and other murder appears, at least, to give effect to the view—this worries me—that these murders are worse than the others in a moral sense. This interpretation would appear to accept the former

principle of retribution and vengeance, although I am sure that was not in the mind of the minister when drafting this bill.

Perhaps at this point the minister would permit me to ask him a specific question with which he might be willing to deal now. I think it is a question that has already been asked this afternoon by the hon. member for Niagara Falls while I was out of the house. If during the course of a riot in a prison a guard were killed by the prisoners, would the charge of capital murder be laid against the prisoner committing the offence? As I understand this bill, if the guard were killed under those circumstances, the murder might well not be planned and deliberate and therefore might not be subject to the death penalty. If that is a correct interpretation, does the minister not feel that this would place the prison warden and the prison guards in an intolerably dangerous situation? Would it not discriminate against them, in that sense?

The homicide act of the United Kingdom, as has been pointed out by other speakers, rests on a very different basis from that of this particular bill. The British act, by selecting certain types of killings or certain types of victims, is aimed at the professional criminal, and at the protection of policemen or prison wardens who come in contact with professional criminals; also to prisoners under life sentence who otherwise would have nothing to lose by committing another capital crime. The obvious purpose of the United Kingdom bill is to create a deterrent, and as I mentioned earlier, where a deterrent would be most likely to be effective.

In his statement the Minister of Justice suggested that there were certain murders that would be covered by this bill which would not be dealt with by the British legislation, and that of course is quite true. On the other hand, I suggest there will be murders covered by this bill for which there is no justification in applying the death penalty in one case and not in the other. In other words, I suggest there is greater uncertainty in the division of crimes in this bill than in the British measure. I know that in Great Britain at the present time there is a good deal of uneasiness because there is that uncertainty over their act and how it is working out.

It seems to me, Mr. Chairman, that the course recommended by more than one speaker in this discussion is one that should be followed. This bill would stand over so it could be submitted to a committee, where representations from experienced law enforcement agencies could be heard, where evidence could be taken bearing on the actual clauses of the bill, where organizations like the Canadian Bar Association could offer their views on the details of this bill and where provincial deputy attorneys general could be given the same opportunity. It seems to me it would be wise if this bill were submitted to a committee so that this course of action could be followed. If that were done, we in this house would have the advantage of the experience, judgment, evidence and views of those people, some of whom I ventured to mention a few moments ago.

I should also like to suggest—and I do it in a constructive way—that with a bill of this kind, with a matter of such fundamental moral character, with a matter dealing with life and death, when we are entering into new ground in this country, where the results may be very good but where, on the other hand they may not work out as we hope, it would be wise to include something in this bill which would provide for its re-examination and possible revision at the end of a certain period of years. I hope the minister will give consideration to this suggestion.

It is quite clear that organized society has been progressing now for generations in its attitude toward the death penalty. I think—and I am quite frank in saying this—this bill is a step further in that progress; yet there is certainly no reason to assume that this bill, and I am sure the minister does not make that assumption, has achieved any finality in dealing with such a complex problem.

That being the case, I have put forward two proposals. One is that this bill be given further consideration before a committee, and second, that some provision should be put in the bill to make sure its term of application is limited so it can be re-examined at the end of that time. As I have said, I feel that in some of its details this bill is defective. It is our desire on this side of the chamber, those of us who support this bill in principle, to make it more effective. In due course, when we get to the detailed consideration of the clauses, we will put forward some changes which we hope will have that result.

Mr. Diefenbaker: Mr. Chairman, I know it is often said by speakers in this house that they had no intention of participating in the debate. I can assure you, sir, that on this occasion that statement is not a mere formality.

I took the attitude that in view of the tremendous amount of study that had been given to this question by the Minister of Justice and the Solicitor General there was no reason why I should say anything regarding a matter in which over the years I have had more than a passing interest.

All of us in the practice of law have had from time to time the opportunity of appearing either for the crown or the defence. I belong to that group in the practice of law composed of those who have never appeared for the prosecution in a murder case. I have often said that I had an outstanding record as a crown prosecutor, for I never lost a case. However, that statement is somewhat diminished in importance when I add that from the time of my appointment until I resigned after a change in the government in Saskatchewan I had no prosecutions. However, I have been intensely interested in this problem of capital punishment and have expressed myself strongly on this subject on many occasions, the major reason for that being the possible conviction of an innocent man.

I am not going to go into the problem of the retention of capital punishment as against its abolition. The Leader of the Opposition says statistics can establish anything that the person producing them desires in that field. It will never be possible to look into man's mind and determine an answer to this question which has exercised the thinking of men in every generation, but it is of interest—and this is a fact—that in upper Canada during the first 25 or 30 years of the nineteenth century capital punishment was imposed for a variety of offences.

I remember my old grandfather telling me that he was present at an execution in upper Canada when he was a boy. It was the execution of one charged with pickpocketing. The execution was at Aurora, I think, or one of those localities immediately north of muddy York, as it then was. Everybody gathered from the surrounding countryside, and a number of Scots residents of that area had their pockets picked while witnessing the execution of one for the same offence.

Only recently I read the record of that era by one who has made a great study of punishment and I find there was justification for that penalty. However, one of my major concerns has been the danger of the execution of someone who had not committed the offence. I can do no more than say that this fear is not unjustified by actual experience in our country.

I do not think it is general, but when one innocent man is executed it shows the irrevocability of capital punishment. In order to meet that situation, a great deal of study has been given to the matter of ensuring that anyone accused of murder shall have available to him all of those defences and safeguards that would be available to anyone else.

I think in this legislation we are meeting the danger that is inherent in trials. The human factor is always present. However, we have endeavoured to meet it by certain safeguards. I am not going into the particulars, but I think the major safeguard is the automatic appeal. There are others to which reference could be made.

Nothing has caused me, as Prime Minister, more concern than the coming before cabinet of the various cases, after conviction of murdering, when the question arises as to the exercise of the royal prerogative. It is a frightening experience. Over the years in Canada the responsibility in this has rested upon the governor general in council.

I know hon. gentlemen opposite who have served in the cabinets of this country realize something of the experience it is to examine with care and attention the evidence and also the reports which are given by the officials and the recommendation by the judge. It is a responsibility which I feel should be taken from the shoulders of the entire cabinet. In the United Kingdom the home secretary exercises the royal prerogative. He recommends the course to be followed. I am informed that he does not consult other members of the cabinet though he does communicate in difficult cases, as he sees them, with the prime minister for consideration. We have built up over the years—and I am not criticizing it—a routine whereby the cabinet considers these matters, and anyone who has gone through the experience knows something of the awful weight of responsibility that is felt by those who have the duty to examine death sentences and recommend whether or not those sentences should be carried out.

I feel this legislation will go a long way to ensure that mistakes shall not take place. At the same time it will provide juries with an opportunity—one which they have so seldom realized in the past that they have possessed—to recommend mercy when an individual has been found guilty of capital murder. On many occasions I have encountered cases where members of the jury have said after a trial, "If only I had known I could have recommended mercy I would have done so". As far as recommendations of mercy are concerned, there has been no inconsistency on the part of the cabinet in accepting such recommendations. They have always been followed by this government. In the period from 1930 to 1957 there were some 30 recommendations to mercy to which effect was not given by the cabinet. I feel that responsibility for carrying out the law and maintaining the safety of the public in each area depends on the jury. Having heard the evidence and having come to the conclusion on the basis of the law as explained to them by the judge that a verdict of guilty is the only one they can bring in, a jury ought none the less to

have the right to add a recommendation to mercy, and having done that, to hope that the royal prerogative will be reasonably carried out. I am not dealing with the future now; I am dealing with the period during which I have been in office as Prime Minister. In that period we have concluded that where recommendations to mercy are made, the proper weight should be given to them. How to meet the circumstances and take from the cabinet this responsibility is something to which I have always devoted my thinking. I feel we might well adopt a course analogous to that adopted in the United Kingdom today whereby the Minister of Justice and the Solicitor General would make the determination and recommendation and, on the basis of the opportunity now given to juries to recommend mercy, would be able to bring their recommendation to the cabinet as a whole. That recommendation, excepting in extraordinary circumstances ought to be accepted.

Mr. Martin (Essex East): May I ask the Prime Minister a question? I want to make sure I understand what he was saying. Did I understand the right hon. gentleman to state that the act provides that this responsibility shall be left to the Minister of Justice and the Solicitor General?

Mr. Diefenbaker: No. The hon. gentleman was speaking to his seatmate at the moment I was discussing that. What I said was that I feel this is the practice which might be followed. I do not expect it to be followed, but it may be considered, for many hours taken by the cabinet in consideration of these cases—and it takes hours if they are to be examined honestly and conscientiously—might well be saved, now that juries are going to be asked directly whether or not they recommend mercy. Responsibility now rests squarely upon the jury to determine in its area and on the particular facts of each case what is just and fair, what constitutes the proper course to be followed in the opinion of those who have heard all the evidence and live in the community in which they are desirous of maintaining justice and equity as between the crown and the subject.

Before the hon. gentleman asked me that question I was about to say something about the degree of recidivism among those tried for murder or convicted of murder. It is a strange thing; in almost every other type of offence the proportion of those convicted who return to the penitentiary is very high. I am not certain what the percentage is, but I think it runs up to 65 per cent and possibly even higher than that. But in the cases of those who have been tried for murder, of those who have been convicted of murder and subsequently reprieved, and of those who have been tried for murder and convicted of manslaughter, it is of interest that over the years there are very, very few cases where the offence of homicide has been repeated. Indeed, I know of only one such case in this country in my time, a case which took place in the city of Saskatoon. This man was tried for murder and the jury acquitted him of murder but convicted him of manslaughter. He served his prison term and then, in about 1945, he went over to the United Kingdom where he committed murder and was executed.

There is another case which comes to my recollection, and this was in the province of Manitoba. A man was convicted of murder, reprieved and set free. Subsequently he committed a further murder. In one case a second murder was committed in Canada and in the other a man convicted of manslaughter in Canada was executed for the crime of murder in the United Kingdom. But it is amazing to note the number of men who, having served their term in the penitentiary after being convicted of murder, have made good. If I were ever to begin discussing this I could go on indefinitely but I do think of one case, the case of a young man who was charged and found guilty of murder. He killed his father in circumstances which did not result in a recommendation to mercy. He was reprieved, and served 12 or 13 years in penitentiary. I recall so well in 1941, or 1942 speaking to the then minister of justice, the Right Hon. Louis St. Laurent, informing him of this man who, having been educated to the extent of passing into grade 2, spent years in penitentiary as a model prisoner. While in penitentiary he took the remainder of his elementary education and finally passed grade 12 examinations. He had been an exceptionally exemplary prisoner and was in charge of the commissariat of the penitentiary. Upon his release he joined the army and became a sergeant. That man has not changed his name today, and occupies a high position relative to his ability and capacity in the business world in this country.

I can think of another individual who today, and during the years, has done a great deal to elevate a woman who, by reason of circumstances, had fallen away from the path of rectitude. That woman was charged with killing her child.

I could mention immediately six or seven other equally dramatic cases involving individuals who, having been punished, have been able to take their places in life.

I think this legislation will, in the days ahead, be looked back upon as a great forward step. Every avenue has been canvassed with a view to assuring that we shall protect law abiding citizens from what the Leader of the Opposition referred to a moment ago as, deliberate acts of those who desire to live above the law. We shall at the same time leave to juries the right which belongs to them, but which they have not had, to recommend mercy as of right. Up to the present time no judge has had the right to ask the jury whether or not it will recommend mercy. In many cases the jury would have recommended mercy if it had the right. From now on the responsibility will rest on the individual conscience of the community to preserve justice.

The Leader of the Opposition suggested that we should postpone this legislation until another session, or at least postpone it until further examination could be made. This is a matter which has received the attention of the Minister of Justice for a considerable period of time. His law officers and all those connected with the administration of justice have studied this measure. It is designed to ensure that we shall protect and preserve our people against those who would place themselves above the law while, at the same time, protecting those who, in passion or under circumstances short of deliberation, commit homicide. It has been said that most of us would, under circumstances of sufficient provocation, do that which we abhor. This legislation is designed to preserve and maintain the abiding principles that must characterize the administration of justice, while at the same time tempering justice with mercy. I cannot agree that we should postpone the consideration of this measure.

It might be said that experience will show that some further changes should be made. I think the hon. member for—

Mr. Deschatelets: Maisonneuve-Rosemont.

Mr. Diefenbaker: —the hon. member made a very comprehensive speech, to which I listened with much attention, and which revealed a great deal of study on the subject. However, the hon. gentleman will realize that we cannot hope to bring about legislation in respect of a subject that has tried the souls of men since the laws of Moses were enunciated. On the basis of modern penological research, recommendations by those who have devoted themselves to a full study of criminology, the experience of the courts, of which most of us have some knowledge, and, on the basis of that body of opinion which has given study to one of the most trying types of crime, as well as on the basis of the experience of the United Kingdom, we have placed before this house a bill which I hope and trust will be regarded as a forward step, and one that, in the light of the perspective of the future, will be looked back upon as a necessary and requisite step deserving of the attention and support of parliament.

Some hon. Members: Hear, hear.

(Translation):

Mr. Caron: Mr. Chairman, after this statement of the right hon. Prime Minister (Mr. Diefenbaker), I am still not convinced that this bill is not just a roundabout way of reducing the number of hangings or death sentences in Canada. I would even say that it has practically convinced me that such was the intention of the government since the Prime Minister referred specifically to section 13 of Bill C-92 which prescribes that the judge must ask the jury whether they recommend the accused to the mercy of the Queen.

It is precisely on that point that, in my opinion, the government's action has been unfortunate. I would have been ready to accept that a judge should be compelled to say in his statement to the jurors: "You are free to recommend or not to recommend mercy." But what can the jurors do when, face to face with the accused, and with the attorney for the defence, and often friends of the accused who may have a rather fierce appearance, they are asked by the judge: "Do you or do you not recommend mercy for the accused?" Would that not place the jurors in an awkward position? Indeed, do you think ordinary people, with no legal training, and who are not familiar with things of that kind, can take a free decision in the very presence of the accused?

It is quite possible that they will be gripped by fear and say there and then: "We recommend mercy." They may even do so out of sympathy.

The Prime Minister stated a while ago that it is only logical that the cabinet should examine juries' recommendations for mercy. In my opinion, that is most dangerous. The judge should be called upon—

Mr. Paul: Mr. Chairman, I rise on a point of order. It seems to me that the hon. member for Hull (Mr. Caron) is getting far afield from the question under consideration, namely section 1 of Bill C-92.

Clause 13 will be called in due course and at that moment the hon. member will be allowed to make the required remarks.

Mr. Caron: Mr. Chairman, on the point of order, I wish to state that I was dealing with

the principle of the bill, more particularly with the clause dealt with by the Prime Minister.

The Chairman: I think that on the first clause of a bill, the practice is to make rather general remarks. Of course, I will admit that the hon. member for Hull was perhaps going into a somewhat detailed consideration of the jury recommendation, but I think this type of discussion is consistent with the rules.

Mr. Caron: Moreover, Mr. Chairman, I was only following the example set by the Prime Minister, who did give rather extended explanations on this recommendation to the jury. The Prime Minister is entitled to his opinion, I have no objection to that, but I think the actual section is dangerous which requires the judge to ask publicly whether the jury is prepared to recommend mercy or to refuse it.

Under the present system, following his summing up of the proceedings, the judge says to the jury: "On the basis of the evidence which has been submitted, you may recommend mercy, but it is not an obligation.

If we included in the act a section under which the judge, following his summing up of the proceedings, would have to indicate to the jury that they are entitled to recommend or not to recommend mercy, but would let them retire to the jury room and reach their decision in complete freedom from pressure, fear or false sympathy for the accused, and outside the presence of the public, the accused, the judge, the friends and the whole family of the accused—whose members would all be in tears—I think it would make things much easier and would be much more in keeping with the role of a jury.

On the other hand, I think the Leader of the Opposition (Mr. Pearson) was completely justified in suggesting a moment ago that the bill be referred to a special committee of the house, similar to the one we had in 1956.

I also note that only one of the many recommendations contained in the report of the special committee has been followed. I refer to the exemption from the death penalty for persons 18 or under.

All the other recommendations have been ignored, particularly that one.

Here is what we find, for instance, in section 69 of the report:

> In practice, the committee feels that any new definition of the crime of murder should closely conform to the present practice of commuting death sentences.

Nor should commutations of death sentences become the general rule. They should remain exceptions as they were in the past.

In the last three years, out of 49 sentences, 39 were commuted. In other words, commutation has become the general rule. I think that is a dangerous practice and that the bill is also dangerous because it is not clear.

To take the example cited by the hon. member for St. Denis (Mr. Denis), suppose two armed men enter a bank, and one of them fires a shot. The one just stands there, because he has not been told to shoot. Of course, section 1 of the bill does say:

> —or assisted in causing.

And the former section 202 stated:

> —facilitating the commission of the offence—

However, there is one point that smart lawyers usually bring up before the jury; they say: do not forget the intent of the lawmakers.

I can see the contradiction that any smart lawyer will point out to the jury. He will say: The intent of the lawmakers was this:

> However, only the person who actually committed the act or applied the force causing death, or counselled the doing of it, would be guilty of capital murder.
> All other murder is made non-capital.

On that basis, smart lawyers will finally manage to secure the release of many criminals until such time as they personally commit other crimes, or until such time as five or six cashiers have been killed and five or six murderers have been arrested. Furthermore, it is stated in subsection 1:

> (1) Murder is capital murder or non-capital murder.
> (2) Murder is capital murder, in respect of any person, where
> (a) it is planned and deliberate on the—

Well, what about the incendiary who puts a house on fire, thus causing the death of one or two persons? He may plead that he had no intention to kill, but just to burn down the house. How do you expect to condemn him when this bill is passed? I think that he enjoys much too great a protection in this case.

Moreover, how would the law deal with cases of rape particularly, when a man, a sadist, gets hold of a three or four year old child, and after committing his crime mutilates her so that she dies? He may say that he had no intention to kill the child, but merely to have his way with her.

Therefore, I repeat that not only should we not attempt to reduce the number of cases which may entail capital punishment, we should rather increase it, more particularly with regard to cases of rape committed on young children and other such cases, also in respect of the drug traffic.

I also think—and in this respect I take issue with what the leader of my party said a few moments ago—that we should not think of modifying the method of execution.

We have capital punishment by hanging, and all honest people seem to be horrified at the idea. Well, it is precisely what I wish preserved: that fear, that shame, that revulsion at the idea of a hanging.

I think that if it has such a critical effect on people who want to retain capital punishment—as they maintain that this method of execution is inhuman—the means must be the right one for deterring those who, though inclined to kill, would nevertheless be afraid of risking such an ignominious fate.

For all those reasons, and many others, which I will have an opportunity to deal with later, when we examine the bill in detail, I think that, except if much stronger arguments than those that have been submitted today are brought forward, I shall be once again obliged to oppose the passing of this bill when we are asked to cast our votes.

(Text):

Mr. Martin (Essex East): Mr. Chairman, while some of the words of the Prime Minister are fresh in my mind I should like just briefly to intervene once again. I am sure the committee listened with considerable interest to what the Prime Minister had to say, particularly in the light of the fact that he has had some considerable experience at the criminal bar. However, I do not feel—and I say this with great respect—that his remarks today, interesting as they were, really answered the queries put on this clause by those of us who have spoken thus far. I may say I do not believe that he fully addressed himself to the clause, but I am not making that observation by way of complaint except to say that, interesting as his remarks were, I do not feel they answered some of our concerns.

The Prime Minister said he was greatly concerned, and not without reason, that we take steps to avoid the possibility of providing in the future for undeserved convictions. Indeed, he noted there have been persons hanged who were not guilty of the crime for which they were convicted. I suppose no one will deny that. We do know positively that that has happened in the United Kingdom and I suppose it is true elsewhere. I am not aware at the moment of a case in Canada where we definitely know that to be so but it may be true here as well.

But it should be noted that the bill does not avoid that danger. It will still be possible under the bill for an innocent person to be convicted and, having been found guilty of capital murder, to receive the death penalty. Therefore the bill does not remove that danger. Admittedly it minimizes the occasion. It does provide certain safeguards and I strongly approve some of the safeguards provided in the bill, but the fact is that the bill does not remove altogether or to any appreciable extent the danger of someone being convicted and hanged for a crime for which he or she may not be responsible.

The Prime Minister spoke of the exercise by the crown through the cabinet of the royal prerogative of commutation. I had misunderstood his remarks. At one point I thought he said that the cabinet should be relieved of this responsibility entirely but I gather that is not what the Prime Minister suggested because he went on to point out later that consideration might be given to assigning to the Minister of Justice and the Solicitor General the responsibility for dealing with recommendations for mercy.

The Prime Minister observed that in the United Kingdom the home secretary exercises this responsibility without reference to his cabinet colleagues, and undoubtedly the precedent in the United Kingdom served to suggest to the Prime Minister that this responsibility in Canada might be left with the Minister of Justice and the Solicitor General. The Prime Minister was talking about a very interesting proposal, but it is to be noted that the bill about which the Prime Minister was speaking does not provide for the delineation of the royal prerogative in that way.

There would be nothing to prevent the Minister of Justice introducing a bill to restrict and define the powers of the cabinet with regard to commutation. As a matter of fact, the royal prerogative in most particulars is now part of the statute law in one way or another. The royal prerogative exercised in regard to commutation with respect to cases of individuals charged with murder is, of course, not a part of the statute law but there would be nothing to prevent a provision in this or in any companion measure to lay down the limit or the extent or in whom in the cabinet should repose the responsibility to give consideration to recommendations of mercy. Therefore all that the Prime Minister's suggestion in this particular amounts to is that it was sort of *obiter dictum* on his part, one that might represent the practice in the future without giving it any foundation or authority in law.

I would think, however, that it would be wrong for the cabinet in the future, notwithstanding its preoccupations, to assign to the Minister of Justice and to the Solicitor General in the absence of some statutory

direction the responsibility that now is borne by the cabinet as a whole. If the practice is to be developed of leaving this matter to a committee of the cabinet or to two members of the cabinet, the legal advisers, then I think some authority should be provided in some statute passed by the house for the assignment that is given and for the restriction that is placed on the exercise of the prerogative.

The whole matter of the exercise of the royal prerogative in this regard has, of course, become a matter of great interest since this government came into office because, as the Minister of Justice has noted on other occasions, the number of commutations since 1957 has been very great. I am not quarrelling with any decisions of the cabinet in that particular. I am sure that in the consideration of capital cases the members of the present cabinet applied themselves conscientiously and seriously in accordance with their judgment and their conscience. I am equally sure that this has been the standard of conduct of former cabinets. Certainly it was true of the cabinet of which I had the honour to be a member. I am sure it has been the practice of all cabinets in Canada regardless of political complexion to give this matter the most thorough and objective assessment. But I think it is true to say that just as the conscience of the lord chancellor has varied with the person of the particular lord chancellor so too have the standards resorted to by cabinets at various times in Canadian history in the exercise of the royal prerogative varied considerably.

I know, and I am sure the Minister of Justice will confirm this, that one distinguished minister of justice before the first world war was so concerned about the jurisprudence, as it were, which he thought should serve as a background for cabinet action in capital cases that he laid down a set of principles which he considered should be borne in mind by Canadian cabinets in the consideration of the exercise of clemency. I do not believe that the principles as conceived by that distinguished minister of justice was followed very long even by the cabinet of which he was a member, nor to the best of my knowledge has it been followed by succeeding cabinets. Each human being in the cabinet has sought to exercise his best judgment in accordance with conscience, in accordance with standards of what was thought to be just, what was extenuating, what was relevant in the circumstances.

It seems to me that so far as one can detect in principle this bill does represent the basic standards that have been laid down by the present government in the exercise of the royal prerogative with regard to capital cases. I have no right to say that this is so. I have no right nor am I attempting to ascertain what goes on in the cabinet, but I suspect that since the Minister of Justice has brought forward this bill it represents fairly generally the standards which the cabinet itself has applied in considering the various requests presented to it for clemency or commutation. In other words, since the government came into office only those have been hanged who have been guilty of capital murder. I am not quarrelling with that because each cabinet has the right to decide the standards which it feels should be employed in the exercise of the prerogative. If that is the case, I do not see any reason why the government should not say so frankly. I do not see why the government should not put in this bill, or in a companion measure, what it feels are the correct standards for delineating the extent of the exercise of the royal prerogative, a prerogative which has been defined in most instances and has been restricted in many instances. There could not be any reason why there should not be a clear definition in this particular instance.

The Prime Minister says that from now on juries will be given encouragement either to make recommendations for mercy or to refuse so to do. In the event of a refusal, in the face of such an invitation, this will serve to give some indication to the cabinet of the jury's estimate of the situation, although the Prime Minister did not add those words. As the Prime Minister readily went on to point out, while there has been no statutory authority for juries to make recommendations, in the past juries have not hesitated—

Mr. Fulton: They have.

Mr. Martin (Essex East): My hon. friend says "hesitated" and I correct that to say that juries have not refrained from making recommendations for mercy.

Mr. Jones: Some juries have.

Mr. Martin (Essex East): The minister may correct me.

Mr. Fulton: I think an analysis of the cases would support the proposition that some juries desired to make recommendations but have refrained because they thought they had no right to do so. I believe in one or two cases juries have questioned the judge who replied that the Criminal Code made no provision for this. Although they were not told directly, the inference the juries received was that they had no right to make a recommendation.

Mr. Martin (Essex East): I accept that at once, and I accepted it earlier when I changed the verb. I am sure many juries have not thought they had the power and therefore did not recommend mercy. There is no doubt, however, that many juries did recommend mercy, even without invitation or without any expressed knowledge of the power. I do readily admit that clause 13 will be an encouragement, and in that case will extend the number of cases in which juries will make recommendations or refuse to do so.

The Prime Minister, I think, misunderstood the suggestion made by the Leader of the Opposition, a suggestion that had been made earlier by the hon. member for Maisonneuve-Rosemont and supported by other members of this party who spoke earlier this morning. No one was suggesting that this matter be postponed. I regret that the Prime Minister has preoccupations outside that prevent his listening to this particular portion of my remarks. What we did recommend was that, because of the importance of this matter, we should not pass this measure hastily. We should resort to the various procedures that are open to us to make sure that our final judgment is attended by the most thorough consideration.

We have pointed out that it would be desirable in a matter of this sort, where there is alleged ambiguity, to refer the matter to a committee. One former judge who has had considerable experience in criminal work in the supreme court of the province of Ontario, Mr. Justice Lebel, in a speech delivered last week in London, criticized the bill because of ambiguity. I am sure from my personal knowledge, as I said this morning, and from consultations with certain individuals who have acted as crown prosecutors and defence counsel, that they share the view there are many ambiguities and many uncertainties in the wording of this bill. The consequences of this will be to afford the best counsel a field day and for a long time to come there is going to have to be built up new jurisprudence to take care of the new phraseology in this bill.

For example, there are the words "planned and premeditated". Does planned mean premeditated? This is not defined in the bill. What the Minister of Justice says in this debate will not give substance to the matter because the court, in the interpretation of our statutes, does not look at these debates. Not only does the court not look at them but it is no allowed to do so. Then, we can ask ourselves, what does deliberate mean? I ask, does deliberate mean that the offender is in full control of his reason? Now, that is a very important element in this matter. Does deliberate mean that the offender was in full control of his reason? Unless there is a satisfactory answer to that, I am sure it will be very difficult to get a satisfactory solution. These are questions which are not answered in this bill, and the answers to which might be provided if there were a careful study made by a committee before which competent witnesses could be called to assist us in arriving at the most precise language possible.

I do regret that the Prime Minister is not here because I am sure he would have been impressed with the purpose behind this suggestion. This is not a political measure. This is a measure toward which every member is directing his most honest efforts. We have invited the use of parliamentary committees, just as we have in connection with less important measures, for the purpose of preparing the most careful legislative enactment on a matter of this importance. We should ask the best qualified people in our country for their recommendations, in the light of their experience based upon their professional skill. We are not going to have an opportunity of doing that unless the minister accepts our request.

I should have liked to suggest that not only crown prosecutors, defence counsel with criminal law experience, but also judges should be called before this parliamentary committee. I should have liked to suggest that some of the best judges we have in this country, some of those whose work has been in the criminal courts and who because of that have a special ability and a special opportunity to make a most constructive contribution, should be called before the committee just as was done in England. As I pointed out this morning, the learned Chief Justice Lord Goddard, than whom at that time there was no more distinguished criminal law judge, was called to give evidence. The minister knows better than I, I believe, that his recommendations were incorporated to a large extent in the homicide act passed in Great Britain a few years ago. We are not asking that this bill be postponed. This bill can become law this year. We are asking that in addition to our own deliberations we have the support of the Canadian Bar Association, judges, crown law officers at the federal as well as provincial level and other bodies who will give us their judgment, in the light of their competence and experience, with regard to a measure that is so vital, I repeat again, to the security of the individual and to human life in our country.

The Prime Minister himself gave some encouragement that our plea may yet be heard, because when we urged upon him that the bill of rights should be preceded by consideration in a parliamentary committee for

the purpose of calling the bar association and others before that body the Prime Minister at first said he did not propose to have the bill considered by a committee. However, it is on record that as a result of further urging the Prime Minister took another look at this matter and decided it was in the interests of the bill that it should be sent to a committee for consideration.

That bill was considerably modified. It was made a better document, as everyone knows from the admission of the Prime Minister himself. If that was justified, as I believe it was in the case of the bill of rights, surely it is justified in this case because this is such an important matter. It is a matter that has such vital application to our administration of justice, an administration of justice which characterizes our form of society and of which we are justifiably so proud.

That being the case, I would think that in a matter of this sort the government would want to think twice before passing this bill through with these uncertainties and these gaps, in the absence of steps being taken to provide the best available commentary from the outside. I can only renew that plea.

When the Prime Minister spoke today I hoped that in the light of his experience he would talk about something else that is left out of this bill. I refer to the mode of punishment. In the debate we have had on this bill, and in the discussions which took place on the bill introduced by the hon. member for York-Scarborough last year, not only have we discussed whether or not it was right to punish murder by death but we have also discussed whether or not, in the event that capital punishment was maintained in some form, the mode of punishment should be by way of hanging.

Some strong views were expressed in that regard in this house and throughout the country. I for one believe that the present mode of punishment of hanging an individual is not the method we should continue to use in this country. I believe we should resort to some other more humane, more civilized method of punishment. This is a gap in the bill that was not referred to by the Prime Minister. I should have thought that with his considerable experience at the criminal bar this would have been one matter to which he would have directed his attention.

I ask the Minister of Justice to indicate at some point in our proceedings before too long whether or not he feels that even at this hour the cause of justice and the legislating of the most effective enactment will be served by seeing that this bill does not pass merely on the discussion in committee of the whole.

It is not a question of our ability; it is not a question of our sincerity. We are all anxious to do the best that can be done in this regard. However, I do feel that where we are making such a fundamental departure in the law with regard to the punishment for murder we should be able to say we have taken every step possible to determine the validity and wisdom of the course which is before us.

I for one do not feel we could answer that question in the affirmative unless the request that this matter be considered by a committee of this house, with all the advantages that affords, is granted by the government and supported by the membership of this house.

Mr. Fulton: Mr. Chairman, I think it would perhaps be useful if at this stage I made some comments by way of reply to what has been said in debate today. I recognize that we are here discussing, in our consideration of clause 1 of this bill, what really amounts to the principle of the bill; that is, the question of whether or not murder should be divided into two categories, capital and non-capital.

For this reason I have raised no objection when on occasion I have felt, as I am sure you have also, sir, that the discussion has ranged pretty widely afield and that, indeed, rather than having a general discussion related to clause 1 we were quite frequently redebating the principle of the bill, which of course was decided when the vote on second reading took place.

However, as I say, since I suppose it might be said that the clause now before us, which will have the effect of dividing murder into capital and non-capital categories, is indeed the main substance of the bill, not too great objection should be taken. However, because of the wide ranging nature of the debate it seemed to me that the most appropriate course for me to follow at this stage would be to make some general observations in reply; to comment, as it were, on the matters raised by outlining our approach and the reasoning and logic which has led us to arrive at this principle of the division of murder into capital and non-capital categories. In doing so, of course, I will answer in a general, if not a particular way, much of what has been said by hon. members who have spoken today. Then, after that, I will go on to deal with some of the specific comments and suggestions that have been made.

In giving this general outline let me do so point by point. First I would emphasize this point. This is important, particularly in light of what in my submission, with the greatest good will in the world, I cannot regard as other than a complete misapprehension in principle on the part of the hon. member for Essex East. I refer to the hon. member's

apprehension that this bill changes the jurisprudence with regard to murder.

Let me first make it abundantly clear that this bill does not change the jurisprudence or the law with regard to murder. We have been deliberately careful not to do that and we have been, as an examination of the bill will show, successful in that objective, namely to leave the existing definition of murder, and therefore the jurisprudence built up with regard to that definition, entirely unchanged.

Second, I should like to emphasize that what the bill does by virtue of clause 1 and the succeeding clauses, is to raise a new question; not a question related to the definition of murder, but a new question which arises only when and if in a prosecution murder is proven. This question that arises is one of fact for the jury.

Therefore there is no new jurisprudence and there is no change in the jurisprudence being created by this bill. The jury will still have to be satisfied that murder has or has not been proven, and in charging the jury on that point judges will rely upon the existing jurisprudence. The question which then arises as a result of the bill is: is the murder which has been proven capital murder or non-capital?

This is my third point in this connection. We have made this question, as a matter of deliberate approach, a question of fact for the jury. It is as a matter of deliberate approach that we have kept the question as simple as possible. It has been urged upon us that the bill lacks something because it does not go into great detail by way of attempting to define, as in a legal treatise, what it is that the words used should mean in law.

We have deliberately avoided that approach and have kept the question as simple as possible. We have kept it a question of simple fact for determination by the jury, and the question is this: was the killing, which the jury has found to be murder, planned and deliberate, or was it not? That is all the jury has to ask itself: was the killing planned and deliberate, or was it not? In my submission, Canadian juries are not incapable of answering that question. Of course, they will be assisted by judges in the interpretation of those words. Jurisprudence will undoubtedly be built up over the years as to what those words mean, and the interpretation given to them will form precedents for other cases. That is how our law develops. But surely this parliament is not going to shrink from establishing a foundation for new law in this field which parliament and our country have desired to be brought into closer harmony with present day concepts of crime and punishment. Surely it does not constitute criticism but, properly accepted, praise of this bill to say that it does lay the foundation for the development of a new approach.

My submission is that we have laid such a foundation on the basis of the most simple principle possible, that is, by leaving it to the jury on the basis of whether or not a murder is a planned and deliberate killing. If the answer to that question is in the affirmative, then the murder is a capital murder. If it is not, if the answer is in the negative, then murder is a non-capital murder and is punishable by imprisonment for life.

Some hon. members have raised the question—indeed they have gone further and made the suggestion—that the effect of this legislation will be that there will be no more capital punishment. Such an assumption is totally unwarranted by anything which occurs in the bill, nor can it be deduced from any of the arguments which have been advanced in support of the legislation. The bill preserves the death penalty but provides that it can only be applied in cases where a jury finds an element of deliberation, either in accordance with the words "planned and deliberate" or through the application of section 202. The death penalty is preserved and is applicable in cases where the jury answers those questions in the affirmative.

To suggest that there will be no more cases where captial punishment is imposed is to assume one of two things, neither of which in my submission can really be expected. The first is that there will never again be a planned and deliberate killing in Canada. I wish one could assume that that could be the case, but I doubt whether anyone in this committee would make that assumption. Alternatively such an argument infers that juries confronted with the clearest evidence of a planned and deliberate killing will refuse to find such a verdict. I have too much confidence in the juries of this country to believe that when evidence is presented which satisfies them that the murder has been planned or deliberate or covered by section 202, they will be so perverse as not to bring in a verdict accordingly. I do not accept such a suggestion, particularly in the light of the fact that a great forward step has been made in this bill, namely, the division of murder into capital murder and non-capital murder as a result of which juries may find a man guilty of murder of a non-capital kind in the sure knowledge that he will not automatically be sentenced to hang as a result. This, as everybody knows, has been the great difficulty encountered by juries in the past and it is one of the reasons why juries have been so reluctant on occasion to bring in verdicts of guilty even when the murder charge has

been supported by the clearest evidence, and why they have so often preferred to find the accused person guilty of manslaughter.

Now juries will be placed in what, in my view, is the proper position. Where the charge is one of capital murder they will decide whether or not the murder has attached to it the element of planning and deliberation which parliament has said to be necessary in order to constitute capital murder. Then, if the jury decides that there was that element of planning and deliberation, I do not believe any hon. member opposite would go so far as to assert that in these circumstances they would not bring in a verdict of capital murder. That is, in effect, what hon. members opposite have said when they have suggested that after this bill becomes law there will be no cases where capital punishment is imposed in Canada.

The next point I should like to make by way of general observation at this stage is that in making the subdivisions and establishing categories of murder, capital and non-capital, we have avoided the rigid classifications which are found in the 1957 homicide act passed in the United Kingdom. Of course, it may well be a proper subject of debate in this committee whether or not we have erred in making that decision, but we made it after analysing all the evidence which was available for study, all the opinions of statements of authority, and after looking at the effect of the United Kingdom act and reading the evidence of deep public soul searching which is going on in Great Britain now as a result of some of the consequences of their homicide act. After this study we came to the conclusion that the type of division applicable to the crime of murder should not be made on the basis applied in the United Kingdom because a division of that kind has produced some unfortunate results, some of which I outlined previously but which will yet bear repetition. The most glaring deficiency is, of course, that when a distinction between capital and non-capital murder is made on the basis of the weapon with which the murder was committed, or the person or class of person killed, instead of the nature and circumstances of the crime itself, as we have done, a situation is produced in which the public is bound to be concerned about the results which follow. For example, if a man kills with a gun he is liable to the death penalty but if he kills with a club or by strangulation he is not liable to the death penalty.

In our view the proper course is to look at the character and circumstances of the crime itself and to ask the jury to inquire of itself whether the murder was planned and deliberate or not. The decision rests on the answer of that question. It does not seem to us that a killing with a gun is any the less reprehensible; it is still an act of supreme defiance of society's basic law, as serious as an act of killing with some other weapon. It is, surely, the act of killing which constitutes the offence and whether or not that killing was planned and deliberate rather than the means by which it was accomplished.

The other point that I wish to make of a general nature arises in connection with the suggestion that consideration of this bill be suspended or postponed and the bill itself referred to a special committee.

Mr. Godin: Mr. Chairman, before that matter is taken up by the minister, could I ask whether he has any remarks in respect of why this bill before the house uses the odd phraseology, "murder— in respect of any person—"?

Mr. Fulton: Mr. Chairman, I will come to that question when I deal with the remarks made by the hon. gentleman who has just asked it. Obviously he was under a misapprehension as to the import of those words. I should point out, as I will in detail when I deal with his remarks, that the words "— in respect of any person—" taken in context with the subsequent words, "—on the part of such person—" make it clear that the person referred to is the person who commits the crime and not the person killed. I shall enlarge upon that when I come to the hon. member's criticism, which it seemed to me at the time, was made on the basis of a misapprehension as to the effect of those words.

The suggestion has been made, and repeated in several quarters, that we should interrupt our consideration and postpone our study, and that the bill be referred to a special committee of the house. Those who made this suggestion have done so on the unjustified and erroneous assumptions that this bill has been hastily and badly drafted, without proper study on the part of the government, or the government officials who drafted it, and that it has been presented to the house in circumstances, as it were, when the house has neither had previous opportunity to consider the matter, nor has a present opportunity to give it fullest study. Every one of those assumptions is, of course, completely erroneous.

Furthermore, the suggestion is made, on an equally erroneous assumption, that somehow or other, the procedure followed in the United Kingdom was different, and their homicide act, whether we agree with it or not, was produced and enacted as a result of the fullest and most detailed study of the particular proposals contained therein. Nothing could be further from the truth, nor further from the case. The British homicide act was not only

not referred to a special committee of parliament, it was not before the Gowers royal commission and, indeed, in most of its particulars, it departed from the recommendations of the Gowers commission. The proposals contained in the British homicide act were never before the Gowers commission for its study or consideration.

Mr. Martin (Essex East): That is agreed.

Mr. Fulton: My friend, the hon. member for Essex East, also suggested that if we did have a parliamentary committee set up to study this measure, we should call before it a number of people, including judges. I venture to suggest that is not appropriate, and would not be an appropriate course to follow. I may be wrong, but in my experience in parliament, which goes back to 1945, a judge of our courts has never been called before a parliamentary committee, and I think there is good reason for that circumstance. I do not think it is appropriate that parliament should call judges of our courts before its committees.

Mr. Martin (Essex East): Why?

Mr. Fulton: Judges would then, by virtue of their being here, be asked to express opinions on legislation which parliament was in the process of enacting.

Mr. Martin (Essex East): We would not do that.

Mr. Fulton: They could not refrain, unless they refused to answer every question they were asked, from expressing a view which might well be in variance with what parliament decided to do. We would then have judges expressing opinions in respect of laws which they would be called upon, at a later date, in their appropriate judicial function, to interpret and apply. I think it would be entirely inappropriate, for other reasons, but mainly for the reason I have given, to call judges before a parliamentary committee. I think it might well be appropriate, and certainly was considered appropriate by the Gowers commission, to ask judges to come and give the benefit of their opinions to a royal commission, but that is quite a different thing. Royal commissions do not enact laws, parliament does. So, it is quite a different thing to have a judge give the benefit of his opinion and experience to a royal commission which is charged with making recommendations, from the situation which would arise if judges expressed their opinions in respect of proposals which were then before parliament, on the verge of being translated into law, and which would then later be before those judges for interpretation and application.

Mr. Chairman, this brings me to a consideration of some of the specific points that have been made by hon. members in the course of the discussion here today. The hon. member for Berthier-Maskinonge-Delanaudiere made a suggestion that the French version at least should be amended to include the word "préparé", in addition to the words "projeté" and "délibéré". I would never claim to be a sufficient scholar of French, or the meaning of the French language, to be able to say whether the two words "projeté" and "délibéré" properly and completely transport into the French language the meaning of the words "planned" and "deliberate", as they are contained in the English text. This is a matter in respect of which we are in the hands of the translators and experts in that field. That certainly was the intention of the hon. member's remarks. I would be very reluctant to say that one or the other version goes any further than the words "planned" and "deliberate", so that I can only say we will take the matter under advisement. As the hon. member knows, we have, in the ranks of my colleagues not only experts in the use of the French language, but a very real expert in criminal law in the person of my colleague the Secretary of State. We will take the matter under advisement and, if we consider the words now used in the French text do not properly carry into effect the meaning that is intended in the English text, we shall give further consideration to the matter.

This morning the hon. member for Maisonneuve-Rosemont said first that, as a result of this legislation, capital punishment, although preserved in words, would really become a museum piece. I do not think I need comment on that suggestion further than I have in the course of my general remarks made a few moments ago, when I presented, as my view, that juries would not be unable to answer the simple question as to whether or not a killing was planned and deliberate, and that if a jury came to an affirmative conclusion, it would then be unable or unwilling to bring in a verdict accordingly. The hon. member, it seemed to me, in the course of his remarks in respect of clause 1, went back to his objection to the principle of the bill, and his whole approach was based on the objection to the division of murder into capital and non-capital murder. In that regard I can only say that I am unable to satisfy him because, in our view, which is a view shared by the majority of the members of this committee including, as he knows, members of his own party, murder should be divided into capital and non-capital murder.

The hon. member went on to say, at one point in his remarks, that all changes made

in the United Kingdom were made as a result of intensive study on the part of jurists and others. He was joined by the hon. member for Essex East in the suggestion that we should refer this measure to a parliamentary committee before which we should invite these experts, including jurists and others. I have already expressed my view that it would be entirely inappropriate to invite judges to come before such a committee. I have already expressed, in general terms, my satisfaction, that this bill and the subject matter with which it deals, have received the fullest and most complete study in this country, in this parliament, and by this parliament, to the point where we are now able to perform our duties in dealing with a specific proposal. I do not think there is any element of parliament being taken by surprise, or being unprepared, and we feel this bill should be proceeded with at this time in this committee.

May I point out again, however, that a comparison of what was done in the United Kingdom, with what is being done here, indicates that my hon. friends, who make the suggestion, have completely failed to understand what did happen there. They suggest that the change the United Kingdom made in the homicide act of 1957 was handled something along the lines of the suggestion they make. Bear in mind first that the United Kingdom bill, as it passed through their parliament, in its major effect rejects the recommendations of the Gowers commission. The Gowers commission was set up in 1949 and it reported in 1953. It did not have before it any specific proposal. Its terms of reference were:

> To consider and report whether liability under the criminal law in Great Britain to suffer capital punishment for murder should be limited or modified.

That is all they had before them, the question of principle, not of detailed legislation. As I say, the commission made its report in 1953. it was not until 1957 that the government of the United Kingdom introduced legislation to deal with the matter, and the legislation that was brought in was based not on the Gowers commission report or on any other long and extensive study of a specific proposal. But in so far as its division of murder into degrees or types which carry the death penalty and life imprisonment respectively is concerned, it was based almost entirely on a proposal which was made by eight private members on the government side. That bill was introduced—I am not at all being critical of what was done, I am confining my remarks to a report on the facts—and in that respect, as I say, it originated from a very small group but, however, it did carry the judgment of the House of Commons and the House of Lords. It was passed without any lengthy or extraordinarily lengthy debate. It was not referred to any special or standing committee of the House of Commons; it was treated in the ordinary way. It went through first and second readings, committee of the whole and third reading.

On the other hand, when you come to consider what has happened in Canada, what this bill deals with is the carrying into effect of a decision in principle on the question of whether murder should be divided into degrees. In Canada we have had exhaustive consideration by a parliamentary committee of both houses which sat in 1954 and 1955; in other words, for two years. It is true it also considered corporal punishment and lotteries, but it devoted extensive consideration to the question of capital punishment, whether it should be abolished and whether the law of murder should be changed. It heard a large number of experts on this question, and we have had the benefit of the evidence given before that committee, of the report of that committee and of its conclusions.

In addition, in this house for two years now this matter has been debated as well as being discussed and considered intensely by members outside this chamber. Therefore, it is completely erroneous to suggest that this subject comes as a new one to the members of the house, or that there has not been given to the subject the fullest and most ample consideration on the basis of which not only the government but the members are now in possession of every argument that could be advanced on either side, and are as fully as they will ever be in a position to make up their minds on the merits or otherwise of the specific proposal now laid before them. Therefore I can see no purpose whatsoever to be served under those circumstances, which are quite different from the circumstances surrounding the discussion of the bill of rights, in delaying the passage of this bill and referring it to a special committee.

The hon. member for Maisonneuve-Rosemont said that after all it is not so important, there is lots of time, it would not hurt even if it did mean delay. Mr. Chairman, it does seem to me that since trials for murder and sentences arising out of conviction for murder are before the courts now, it is completely erroneous as well as inept to say there is not any urgency in passing into law those principles and provisions which parliament will from now on say should govern the law of murder.

Mr. Denis: Most of these murder sentences are commuted.

Mr. Fulton: It seems to me, in a matter of this kind, the time for decision having arrived, it is desirable, without undue haste and certainly without delay, after proper consideration, to pass as soon as may properly be done our conclusions into law, and to carry them into effect.

The hon. member for Maisonneuve-Rosemont also said that in this clause we are proposing two types of murder, distinctions which will make inoperative the retention of capital punishment, notwithstanding the assurances that I gave in my speech on second reading that capital punishment was being retained. I think I have already dealt with that in the course of my general remarks this afternoon where I mentioned the confidence that we repose in the ability of juries to make up their minds and to bring in an answer to the question on the basis of which it will be determined whether murder is capital or non-capital.

The hon. member also said that it was a juridical distinction based on legal uncertainty. May I remind him that juries now have the responsibility of deciding the queston of guilt or innocence of murder according to the law, and we are not disturbing that jurisprudence. The law is there. The law says what murder is, and juries now have to decide whether the individual is guilty or innocent according to the law. There is no different task imposed on them now as the result of this bill, which simply asks them, in addition to deciding whether there is murder there at all, to decide was it planned and deliberate, or was it not? They will have to make that decision in accordance with jurisprudence developed with regard to those words; but there is no new or different task from that which juries have had the responsibility of performing all through the years.

My hon. friend from Essex East started his remarks this morning by pointing out that there is more jurisprudence on this question of murder than on any other subject. He went on to say we ought to be very careful about adding to our jurisprudence on it. I would simply remind him of that which I said earlier when I rose to reply, namely that we are not changing in any single respect the jurisprudence with regard to murder. It remains and will remain exactly as it is now. All we are doing is raising one further question of fact for the jury after they have been satisfied that there is murder. The question is, was this murder planned and deliberate, or was it not? Therefore there is no disturbance of the jurisprudence. For reasons which I indicated earlier I think it is not only appropriate but indeed timely and essential that we should place this additional question before juries.

The Chairman: Order. The time of the minister has expired. Does the committee agree that he should continue?

Mr. Martin (Essex East): Before the minister continues—and I think we all agree that he should—may I say he said that I said this morning we were not adding to the jurisprudence. I think I said there was more case law on the question of murder than on almost any other subject.

Will the minister now tell us what is his definition of planned and deliberate? I asked a question with regard to that. It will be new, and there will be a real field day for the lawyers on that very essential point.

Mr. Fulton: In the final analysis the jury will have to decide whether it is planned and deliberate. As I said at the beginning, I feel it is a question which should be kept a question of fact to be determined by the jury. That is what we have done, and I am quite sure my hon. friend would not disagree with me when I say that this is the effect. It will be a question of fact to be determined by the jury in accordance with the evidence.

Mr. Martin (Essex East): Lawyers will argue that the word "deliberate" presupposes planning.

Mr. Fulton: Of course lawyers will argue just as my hon. friend is.

Mr. Martin (Essex East): And judges will so decide.

Mr. Fulton: Judges will interpret the law to juries, yes. Surely my hon. friend would not have us take that function away from them.

Mr. Martin (Essex East): Oh, no.

Mr. Fulton: Judges will interpret the law and will instruct juries upon the legal effect of these words. I am not going to presume to say here exactly how I consider every judge will interpret these words but I do say that I do not think judges will have much difficulty interpreting the intent of parliament to juries when they find parliament saying that the question for the jury is whether or not the murder was planned and deliberate or whether it comes within the ambit of section 202. I really do not think that is going to be a difficult question. I realize that lawyers will argue about it but that is the function of lawyers, and the function of judges is to interpret the law and to build up precedents on the basis of which subsequent cases are decided.

Indeed, the hon. member for Essex East seemed to confine his remarks this morning to generalities and personalities. He said that he had no confidence in the bill. I point out to you, sir, that he brought forward no specific criticism of it. I could not help but ask myself: If he is so dissatisfied with it, why does he not say where it is wrong, what is the weakness or make some specific proposals as to how it should be changed? But, as I say, he confined himself to generalities and to personalities such as "I have no confidence in the bill because I do not think there is anybody in the Department of Justice really capable of drafting legislation as important as this".

I am not going to enter into any detailed refutation of that suggestion. I am simply going to point out that, so far as draftsmanship is concerned, when a decision on principle has been taken as it has been taken here the draftsmen of the Department of Justice are as capable as will be found anywhere in the world and an attack on that basis, unsupported by any specific point of weakness brought out by the hon. member for Essex East, falls by virtue of its innate and demonstrable weakness.

My hon. friend concluded this morning by saying that he supports the principle of the bill but does not have confidence in the bill as drafted for the reasons I have given. He gave no reasons aside from generalities and personalities so I am confident that no reflection and after the explanations I am now making he will find himself able to support not only the principle but the details of the proposal we have laid before parliament.

Mr. Martin (Essex East): Will my hon. friend permit a question? He will remember that I said this morning that I was confining myself to the question of procedure and that I had some comments to make on the bill. I have already made some comments and I have more comments to make on the details. For instance, I ask this question: Does "deliberate" mean that the offender was in full control of his reason? The minister may feel that he does not want to answer that question but that is the very kind of matter that must be defined as precisely as possible in the bill. If the minister feels he cannot give that kind of definition, surely he must realize that that is evidence of what I have been saying, that the bill lacks the precision which I think it should have.

Mr. Fulton: I will be very glad at a later stage to come to a discussion of details. At the moment I am endeavouring to answer some general comments that have been made, and we can get into a discussion of that kind, so far as it is appropriate, in a short time. I will be glad to lay before my hon. friend some thoughts in that regard.

The hon. member for Niagara Falls also posed certain questions. Incidentally, I might remind the committee that she has had considerable experience in the field of criminal law and has acted as defence counsel or participated in murder trials in more than one instance. She asked me what would be the situation if there was a riot in a prison during which there was an unpremeditated killing and her suggestion was that there is nothing in the bill that would make this capital murder. The Leader of the Opposition asked the same question. To this I can only reply that it would be difficult, it seems to me, to envisage such a case where it did not take place either in the course of an effort to escape or to effect a rescue from prison in which case it would be covered under section 202 or, alternatively, where it would be possible to establish that on the part of the person who actually did the killing the act of killing itself was planned and deliberate. I, of course, do not attempt to lay down an answer for every conceivable case that might arise but in our view the killing of a prison officer is covered in the provisions for capital murder.

The hon. lady also asked me what the situation would be with respect to a second killing. Again, we have made our division of murder into capital and non-capital on the basis of whether or not the killing was planned and deliberate or carried out in the course of committing any of the crimes or offences covered in section 202. That is the principle which we carry forward. That is the principle which we would hope and expect that juries would apply to every case of killing that comes before them. As I say, in the drafting of the legislation we have in our view protected the situation with regard to the type of murder involved in the killing of a prison officer or a police or peace officer.

She also asked me why we had not accepted and incorporated into the bill the doctrine of diminished responsibility. I should point out to her that both the Gowers commission and our own parliamentary committee recommended against the importation into Canadian law of this doctrine of diminished responsibility.

Again, the question was asked whether or not, if a mentally retarded person was persuaded, encouraged and, indeed, led by a person in full control of his faculties into committing a robbery in a bank in the course of which he armed himself and killed, that would be capital murder. That, of course, would depend upon whether the person in full possession of his mental faculties counselled

or procured the doing of the act which resulted in the death. On the basis of the general outline of the case presented by the hon. lady, I would say that the probability would be that the jury would find that the other person did so counsel or procure so as to make it capital murder, but again it would be a question to be determined on the basis of the facts.

The hon. member for Nickel Belt criticized us because he said we had no public document to substantiate the views of the government as incorporated in the bill. On an earlier occasion and again this afternoon I have endeavoured to summarize the process by which we arrived at our decision in principle. We did so after a review of the Gowers commission report, our own parliamentary committee's report, the vast volume of other writings and speeches on the subject, debates in this house and views as expressed in the country. On the basis of that study and analysis we reached our decision in principle as to what we should do, which was that we should divide murder into two categories, capital and non-capital. Accordingly we have produced a bill which carries that into effect and we now bring it before the house for the judgment of the house.

We are prepared to defend the decision we have made both in general and in detail. As I have said, surely after all these years the House of Commons is in a position now where it is appropriate that it should be asked to make up its mind on the question of how it wants to deal with murder. The hon. member's criticism also seemed to have been based on the assumption—

Mr. Godin: Before the minister proceeds, may I ask a question?

Mr. Fulton: Yes.

Mr. Godin: Does he realize that my reference was to the phraseology of clause 1 which we were discussing? I realize that the minister has derived his information from many sources in so far as the general principle of the bill is concerned, but I believe we are agreed that we have no documentation or information which indicates to us where the minister obtained his phraseology for clause 1.

Mr. Fulton: I doubt very much if you would ever find, on a subject of this kind where to some extent a new approach has been adopted, anything on which you could rest your case. It seems to me that what you have to do is decide, in principle, just what you want to do and then produce a bill which, in its drafting, will carry that principle into effect, carry into effect what was the intent when you gave instructions that the bill should be prepared. Our examination and re-examination of this bill has satisfied us it does carry into effect the decision I have endeavoured to outline to the committee as to what we should do with this difficult problem of capital punishment for murder.

The hon. member for Nickel Belt did raise a particular question with regard to the implication of the words "in respect of any person". I took it from what he said this afternoon, and from what he asked me again more recently, that he had in mind this phrase related to the person killed. May I point out to him that if he will read the clause,

> Murder is capital murder, in respect of any person, where
> (a) it is planned and deliberate on the part of such person,—

he will find this makes it clear that the person referred to in both cases is the person committing the murder or carrying out the killing.

Mr. Godin: I do not like to be annoying, but the minister seems to read the phrase as though it were two phrases. He says, "in both instances". The minister knows that this is one phrase. If you have paragraph (a), it is simply for the construction of the statute and does not break the phrase. If you say that murder is capital murder in respect of any person, you may find that the reference is to the person who has been killed, and if you go on to the next phrase, "on the part of such person", you will find you are referring to the person who has been killed.

Mr. Fulton: If my hon. friend will read the clause, I am sure he will realize that "person" there refers to the person doing the killing. It says:

> Murder is capital murder, in respect of any person, where
> (a) it is planned and deliberate on the part of such person,—

Obviously the two words "person" refer to the same person and the only person that could be contemplated or affected would be the person who does the killing. Then, paragraph (b) says:

> it is within section 202 and such person
> (i) by his own act caused or assisted in causing the bodily harm from which the death ensued,—

I can assure my hon. friend that if he would read the clause carefully he could not come to any conclusion other than that the person referred to there is the person causing the death.

Mr. Godin: Would the minister refer to the French translation of that paragraph in which the words "à l'égard de" are used?

Mr. Fulton: My hon. friend has read the last line, and let me read the whole thing in French.

(Translation):

That section states:

Murder is capital murder, in respect of any person, where
(a) it is planned and deliberate on the part of such person, or
(b) it is within section 202 and such person
(i) by his own act caused or assisted in causing the bodily harm from which the death ensued.

Therefore, it is clear that in all cases, the person referred to is the person who caused the murder.

(Text):

Then, the hon. member for St. Denis—

Mr. Godin: To assist the committee, would the minister—

Mr. Fulton: —no, going back to what the hon. member for Nickel Belt said, I believe he should be satisfied now that since the planning and deliberation has to be on the part of the person causing the death that should take care of the case he brought to our attention of a possible death resulting to somebody other than the person it was planned to kill. The question is, was the murder planned and deliberate on the part of the person causing it, and that is the question for the jury.

The hon. member for St. Denis raised a question about the situation that might develop if five or more persons robbed a bank. My answer to him would be that if they planned to kill in the course of the robbery, then all would be liable for capital murder. If, on the other hand, they planned to rob only, then only the one who kills is liable for capital murder. Unless the others counselled or procured a killing, all the others would be liable to non-capital murder so they would not escape a murder charge.

The Leader of the Opposition raised a number of points, but I think I have covered a great many of them in my general remarks or in references to questions from other members. However, he did, in his criticism of the bill, appear to suggest that we retained capital punishment because in our view it had a deterrent effect. One or two other hon. members made that argument. May I remind the committee that in my introductory remarks on second reading I pointed out that while we felt there was no validity in the view that a deterrent did apply in respect of the bill, we rested it on grounds far wider than that, and that was the fact that for a deliberate killing society is entitled, and indeed the protection of society demands, the sanction of the death penalty.

I think, Mr. Chairman, that covers most of the questions that were raised. Others no doubt will be raised in the course of considering the further clauses, and I shall be glad to deal with them at that time.

Mr. Roberge: May I call it six o'clock?

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 7.30 p.m.

Mr. Roberge: Mr. Chairman, at the outset of my remarks I should like to state that when the Minister of Justice introduced Bill No. C-92 last Tuesday he did so in an extensive and very comprehensive manner. It is not because he has spoken today that I have made up my mind, but it has helped me somewhat to finally decide what I should do. Unfortunately on the second day of the debate last week I was unavoidably absent from the house because of circumstances beyond my control and I was not able to participate in the vote on the principle of this bill.

(Translation):

Mr. Chairman, when considering a bill as important as the one before us, it is always extremely difficult to form an opinion. Last year, we had the advantage of listening, for two days, to the discussion of the bill of the hon. member for York-Scarborough (Mr. McGee). We also had the opportunity of studying, or at least of reading the bill proposed by the hon. member for Maisonneuve-Rosemont (Mr. Deschatelets) and the legislation submitted by the hon. member for Burnaby-Richmond (Mr. Drysdale), if I am not mistaken in the name of his riding.

With the help of those three drafts and of last year's discussion, I have been able to come to a decision, though it was quite difficult, I admit.

As I said, the problem is a very complex one. Society, of course, has to be protected. But it is also important to see that innocents are not put to death.

It did happen in the past, I think—my little experience does not allow me to prove it—but I suppose it did happen in some cases that people, having been found guilty, were put to death though they were innocent. This is the sort of thing we must try to avoid.

I do not wish at this time to follow the Prime Minister of this country in the statement he made this afternoon and take up all those reasons after him to comment on them or criticize them.

Mr. Chairman, in spite of the attitude which the Prime Minister and the Minister of Justice took this afternoon, I still believe, like others who spoke before me, that this bill should be submitted to a special committee. It is true that a joint committee of the house and of the other place did some work with regard to this matter in 1954 and in 1955. It is also true, as I said earlier, that the bill was discussed last year, but, here in this house, we are called upon to take the best possible decision. Notwithstanding the position taken by the minister, I think that in order to arrive at the best possible decision, we must make the best use of whatever means are afforded by the rules of this house to form our opinion.

We want opinions freely expressed and to this end we should exhaust all means of persuasion trying to drive home the merit of this bill and, for the moment, that of the first clause.

I am a lawyer myself, as are many members of this house. However, several members have not had experience in court. I am sure too that none of my colleagues have ever known what it was to be indicted or to serve as a juryman.

During my short legal career, I have had occasion to defend a person accused of murder. An attorney is always in a difficult situation in such cases whether he acts for the crown or for the defence. That is why parliament and the committee must take every possible means within the purview of the rules to arrive at a sound and logical decision.

I feel that the best way to make this measure as efficient as possible would be to refer the bill and clause 1 to a special committee.

Mr. Chairman, the principle of this bill is included in clause 1; it is the core of the bill, and for that reason I can now say how I would have voted had I been here last Wednesday.

Most or at least many of the members from my province on this side of the house voted against the bill. It is a matter of conscience. Their decision was dictated to them by their conscience, by the studies they made, and I certainly cannot blame them. Nor can I blame those who voted differently. As for me, I would have endorsed the principle of the bill and for the following reason.

Mr. Chairman, members of this house are legislators. This afternoon, we witnessed a short and untimely intervention on the part of the hon. member for Pontiac-Temiscamingue (Mr. Martineau) parliamentary secretary to the Prime Minister, and, in order to help him, I should like to read into *Hansard* the definition of "legislator" given by the *Nouveau Larousse Illustré*. I quote:

Legislator: One who gives laws to the people.

Why are we here? To give laws to the people of Canada. This is our sole function. We are not here to administer the laws: that is the task of the judiciary.

Mr. Martineau: Nobody denies it.

Mr. Godin: Why ask the question then?

Mr. Martineau: You do not have the floor.

Mr. Roberge: The laws are administered by the judiciary. Therefore on the principle that those who sit in this house were chosen to draft the laws and to give them to the population, I need no other justification to make me endorse this bill. As pointed out, last week and again today, by my colleague for Maisonneuve-Rosemont (Mr. Deschatelets), it is probably true that when applied this bill will not prove as effective as expected. But that is not our problem. Our particular responsibility is to prepare such an act as we think should be prepared.

I feel, Mr. Chairman, that clause 1 in the Bill C-92 is good, since it provides for a division of murders into categories. Too often, in the past, individuals were charged with murder and convicted of murder, while they should have been convicted of manslaughter. Too often also individuals were prosecuted for manslaughter when the proper charge should have been one of murder. I think that danger is being warded off by the definition of capital murder and non-capital murder found in clause 1 of this bill. I do not mean by that that I am personally satisfied with the classes as described in clause 1. Far from that. On the contrary, quite a number of clauses of the bill do not satisfy me, and besides I shall have the opportunity of making a few remarks in connection with other sections of this bill. However, for the moment, I should like to limit myself as much as possible to section 1.

As I have just pointed out, the law now provides for cases of murder and manslaughter. Perhaps it might be useful, in making my point, to recall that murder is the intentional act of killing, of voluntarily taking the life of another person, while manslaughter or unintentional homicide is the involuntary act, although culpable, of taking the life of another person.

This bill includes capital and non-capital murders, manslaughter or unintentional culpable homicide remaining as described in our statutes.

On the other hand, Mr. Chairman, looking at this bill, and more particularly at section 1, as it now reads, I note one difficulty. And to better illustrate it, I will read again into *Hansard* what the minister had to say on May 23 last when he paraphrased clause No. 1 and gave us distinctions which are made by the bill according to him. As found at page 5223 of *Hansard* for May 23, he stated:

> We have accordingly started on the basis that there are two broad types of killing. The first is where the death does not result from any act of deliberation on the part of the person causing it but can be said to be impulsive or non-deliberate, in the sense of being in no way within the prior contemplation of that person. It is our view that the death penalty ought not to be the consequence in these cases, and accordingly although the crime may be murder, it is classed as non-capital and a sentence of life imprisonment only is provided.
>
> The other type of killing is the case where death is caused deliberately or as a result of a planned act of the person causing it. All these cases are classed as capital murder and for these cases, but for these cases only, the sentence of death will follow automatically on conviction.

Mr. Chairman, I wish to emphasize again the following words:

> —deliberately or as a result of a planned act of the person causing it.

Mr. Chairman, in the course of the discussion today, some hon. members who spoke before me dealt with that aspect of section 1, particularly the wording of that section. The hon. member for Berthier-Maskinonge-Delanaudiere (Mr. Paul) suggested this morning to the minister an amendment to the French version of the bill. At present the bill speaks of a murder which is "projeté et délibéré", the hon. member has suggested that it should say "projeté, préparé et délibéré".

I understand that, just a few minutes before the six o'clock recess, the minister said that he would examine that problem with the Secretary of State (Mr. Dorion) and that he would make the proper correction to the French version, if necessary.

However, that is not the point I wish to make, Mr. Chairman. In fact, I do not think anyone mentioned this question.

In the course of his remarks, this afternoon, the Minister of Justice went further than he did last Tuesday. In reply to various objections, he spoke of "planned and deliberate" murder, and I noticed that every time he spoke on that point this afternoon, he stressed the words "planned and deliberate" while, last Tuesday, as reported in the French edition of *Hansard*, he spoke of cases where death was deliberate or ensued from a premeditated act. I feel there is a great difference there.

(Text):

Mr. Fulton: Perhaps the hon. gentleman would permit me to say a word in explanation here. In my remarks during debate on second reading I took pains to point out that there are two circumstances which make a murder a capital murder. One is, where the killing itself was planned and deliberate. The other is where the murder is done in the course of an act which imports the element of deliberation—an act that is of such a generally deliberate or stealthy nature that we think the law should make it clear that it imports the element of deliberation. It was in the discussion of these categories of capital murder that I used the words, which the hon. gentleman has quoted this evening, as contained in *Hansard* for last Tuesday. I did not go into detail this afternoon in respect of those words when I said the killing must be planned and deliberate. Perhaps, to have been perfectly accurate, I should have gone on to say; or, where the killing occurs in the course of the commission of one of those crimes outlined in section 202. However, I think the bill is clear on that point.

(Translation):

Mr. Roberge: I wish to thank the minister for his remarks. Incidentally, I would not want to be unfair to the minister, because it is probably true that when he discussed the deliberate causing of death, he was probably referring to paragraph (a) of the bill, and when he discussed premeditation, he was probably referring to paragraph (b). While that may be true, I do not think it alters the point of my argument. Also, for the benefit of the committee and in support of the point made by my hon. colleague from Nickel Belt (Mr. Godin), I must say there is a significant difference between the meaning of the French words and that of the English words.

While it is true that the judiciary is there to interpret the law, it is also true that the lawmakers are here to make the laws as clear as possible. I therefore think that from that point of view, it is important to look into the definition of the words. I understand that in section 1(2)(a) of the bill, the word "projecté" and the word "délibéré" are used as adjectives. With respect to the word "délibéré", here is the meaning given to this word in its adjectival form by the *Larousse* dictionary:

> —easy, free, determined—

Then the dictionary gives an example:

By deliberate intent, with intention, purposely.

Now here is what is meant, according to the French dictionary, by the verb "délibérer":

To consult together, to reflect inwardly for the purpose of reaching a decision.

And I stress this part of the definition of the verb:

—to reflect inwardly for the purpose of reaching a decision.

Now let us look at the definition given in the Oxford dictionary for the same word used as an adjective:

(Text):

deliberate,—

The adjective.

Intentional; considered, not impulsive; slow in deciding, cautious—

And the verb:

Consider, think carefully, take counsel, consult, hold debate.

(Translation):

And now, the verb "deliberate":

In my opinion, both dictionaries do not give the same definition and I do not think we can rely on any other source of information than dictionaries for the definition or the meaning of words. Now, the English word "deliberate" seems to imply a more or less lengthy period of time which is certainly not only an instant, while the French word "délibéré" does not seem to make such a distinction. Indeed, I think it is possible to deliberate only one second and, in such a case, murder still is deliberate.

I will now go a little further. If it is true that a homicide must be deliberate to be considered as a murder under the present law, the same thing can be said about the bill under consideration.

In my opinion, the word "deliberate" in the English version implies lengthy and planned deliberation, a debate within the criminal's mind, if you wish, whereas the word "deliberation" as defined by French dictionaries could mean reflection which took only a flick of an instant.

Is it possible, however, to separate the words "planned" and "deliberate" used in the bill? That is why I was pointing out a while ago that when the minister was speaking about "planned and deliberate" murder, this afternoon, he was coupling the two words every time he used the expression.

If, after having decided to kill someone, I plan my deed and then I carry it out, it is obvious that the homicide I have committed is deliberate; however, I could have taken a decision after hasty deliberation, without any preconceived plan. In that case, is it a capital or a non-capital murder? This question has been haunting me all day long.

Nowhere have I heard an appropriate answer but it seems, at first sight, that to have a capital murder, it should be both "planned" and "deliberate", whereas if it is simply a "deliberate" and not a "planned" murder, you have non-capital murder.

Is this the right answer? Is this the true meaning of the bill? I do not know, but I am asking the minister to clear up this point. I should like him to enlighten us on this matter.

He said this afternoon that it is up to the judiciary to interpret the law. That is true, but the legislator is responsible for enacting the law. Therefore, it rests with the government or its representative, in the person of the present minister, to set forth his opinion. I therefore think the minister owes us as much clarification as possible on the bearing of the words he himself conceived and on the meaning given to them by those who drafted this bill with him.

Mr. Chairman, I should like to end these few remarks by repeating what I said at the beginning on account of the possible ambiguity, on account of the two meanings that can be given to the words "planned" and "deliberate", taken together or separately, the minister must listen to our pleas and agree to refer this bill to a special committee of the house.

According to the minister, delays might result. That might be the case. But special committees meet often enough, as often as two or three times daily, to make it possible for certain studies to be done in the special committee, by calling before it witnesses, experts, that is people with a vast experience in criminal law, who would give to members of the committee all the explanations possible.

It would also be an opportunity to meet the officer or officers who looked after the preparation of the bill or did prepare it. Obviously the person who supervised the preparation of the bill is the Minister of Justice, but he is not the one who prepared it They are the officers of the department.

In my opinion, these people should be called to appear before the select committee so that we may know what they mean exactly by that word, since it is only in this way that we will be able to decide what our position should be concerning clause 1.

(Text):

Mr. Drysdale: Mr. Chairman, I rise at this time to make one or two comments on the first clause of this bill. Since I have been interested in capital punishment I have already put my views on the record by the introduction of a bill based on the United Kingdom legislation but adapted to Canadian conditions. I agree with the minister in the adoption and the adaptation of the principles expressed in this legislation, but I feel this is the time for the committee to do the final polishing of the words placed before us which seek to put the principles into legislative expression.

In his introductory remarks on capital punishment the minister indicated that generally speaking he believed it was a deterrent to rational people. He also left the logical implication that those who find themselves in the unfortunate position of having committed capital murder are in the circle of what one could call irrational people by the very fact that they find themselves in this position. If we assume then the premise that those people who find themselves in the position of having committed capital murder are in varying degrees irrational, I think it requires an extremely close examination to find out which people within that circle are the ones the court decides shall suffer the supreme penalty. My own feeling on this particular matter, Mr. Chairman, is that I should like to approach the problem from a slightly different direction.

We have indicated positively what the crime consists of by saying that it must be planned and deliberate. In order to delineate very carefully what the words "planned and deliberate" mean we have to give consideration to some of the defences advanced, such as insanity and drunkenness. The first one I shall more particularly deal with is the defence of insanity. Under section 16 of the Criminal Code we are still operating basically under M'Naghten's rule, which described legal insanity. This rule is now some 118 years old. I am concerned with whether or not during this whole period of 118 years this rule has been entirely effective. We are faced first with the medical aspects of insanity which are far ahead of the legal understanding of the situation. I am very much concerned over this gap. It is particularly important, Mr. Chairman, because *mens rea* is the prime ingredient required to prove a capital murder case. In the United States in 1954, in a case called the Durham case, they attempted to define much more clearly the psychoses and neuroses of insanity which would lead to the crime being committed. I suggest that under the present criminal legislation here there is not the same degree of flexibility that they have in the United States.

My first suggestion to the minister would be—although this is perhaps not the appropriate time to do it—that consideration be given to setting up a committee to study insanity both from the juridical and medical point of view with a view to up-dating the sections which deal at present with legal insanity.

The second point that I should like to deal with, Mr. Chairman, is the fact that in a capital murder case the death penalty is prescribed in section 642 of the Criminal Code. In prescribing the death penalty, I would suggest that the penalty and the method are inextricably interwoven. I have already gone on record and suggested that a suitable method of the death penalty is the gas chamber. The hon. member for Essex East and the Leader of the Opposition both indirectly raised this matter by suggesting that perhaps there should be another form of capital punishment.

Mr. McGee: Will the hon. member permit a question?

Mr. Drysdale: Yes.

Mr. McGee: Let us assume that the hon. member, as I understood him, agrees with the deterrent argument for capital punishment. Would he not agree, then, that hanging as a form of execution because, according to many hon. members, it is less humane than the gas chamber, would have a greater deterrent effect?

Mr. Drysdale: Not necessarily, no. My own opinion is that there happens to be confusion between the penalty itself and the method of carrying it out. I feel there is that confusion, as illustrated by the hon. member for Vancouver East. He was extremely moderate in this particular debate but in past instances when we have discussed capital punishment usually his first words were, "Have you ever seen a man hanged?" Then he would proceed to register the emotional aspect. I think the two things are completely severable, the death penalty and the way it is carried out.

Both the hon. member for Essex East and the Leader of the Opposition suggested that some consideration should be given to this aspect of the matter. I would suggest that this is not the time when consideration should be given to this matter, particularly when we are dealing with clause 1. I say this for the particular reason that the Criminal Code sets out what the crime shall be but it is up to the various provinces to carry out the method of execution.

I would make a second suggestion to the Minister of Justice. In June or September he is expecting to meet with the various attorneys general to discuss the British North America Act and at that particular time he might make an informal poll among the attorneys general to see what their attitude is towards the establishing of a gas chamber, for example, and whether one should be located in each province or whether there should be a central place of execution. Since the cost involved in the method of execution would have to be borne by the provincial authorities, I think it is imperative that they first be consulted.

Miss LaMarsh: Is the hon. member aware that section 642 of the Criminal Code sets out the manner in which the individual shall be sentenced, namely, that he is to be hanged by the neck until dead?

Mr. Drysdale: I thank the hon. lady. Perhaps I did not make the situation too clear. It was for that reason that I indicated there would have to be agreement between the federal and the provincial governments. Under the code the federal government sets out the method, and I have already suggested that I think the method should be changed to the gas chamber. Then I suggested that since the provincial governments would have to bear the cost of responsibility of carrying out the method of execution, whatever the method may be, the Minister of Justice might take the opportunity when he meets the provincial attorneys general to ascertain at that time whether they favour an alternative form of execution.

Miss LaMarsh: May I ask a further question? Would the hon. member agree that if it should be provided that there be one place only in Canada for the carrying out of executions this would obviate the necessity of dealing with the provincial governments who now have to provide the facilities to carry out the sentence?

Mr. Drysdale: If there were one central place of execution such as a gas chamber, for example, I think the only place it could be constructed would be in the Northwest Territories where the federal government does have jurisdiction. I think the question of whether there should be a central place of execution or whether there should be one in each province is a matter that would have to be discussed. The minister can correct me if I am wrong, but I understand the Northwest Territories is the only place where the government has responsibility in the event that hanging is necessary. Otherwise these matters come under the jurisdiction of the various provinces.

There is another point I wish to make briefly before I sit down. It seems to me, as has been indicated by other members who have spoken, that the two key words in the clause are "planned" and "deliberate". In the light of the definitions I have been able to find I am wondering about the necessity for the use of the word "planned" and whether the word "and" is likely to be judicially interpreted as "or". In trying to find a definition of the word "deliberate" the only success I had was in Black's Law Dictionary, fourth edition. The cases referred to are United States cases but I suggest that the reasoning would probably be equally as applicable to Canadian courts. I quote part of the definition of "deliberate" as found on page 513:

> By the use of this word, in describing a crime, the idea is conveyed that the perpetrator weighs the motives for the act and its consequences, the nature of the crime, or other things connected with his intentions, with a view to a decision thereon; that he carefully considers all these; and that the act is not suddenly committed. It implies that the perpetrator must be capable of the exercise of such mental powers as are called into use by deliberation and the consideration and weighing of motives and consequences.

Using that particular definition, it appears to me that the idea of planning or something having been planned is incorporated. Perhaps I might read one more definition that is given here:

> "Deliberation" and "premeditation" are of the same character of mental operations, differing only in degree. Deliberation is but prolonged premeditation. In other words, in law, deliberation is premeditation in a cool state of the blood, or, where there has been heat of passion, it is premeditation continued beyond the period within which there has been time for the blood to cool, in the given case. Deliberation is not only to think of beforehand, which may be but for an instant, but the inclination to do the act is considered, weighed, pondered upon, for such a length of time after a provocation is given as the jury may find was sufficient for the blood to cool. One in a heat of passion may premeditate without deliberating. Deliberation is only exercised in a cool state of the blood, while premeditation may be either in that state of the blood or in the heat of passion.

Incidentally, I think this might also answer the question raised by the hon. member for York-Scarborough who wanted the idea of cold-bloodedness included so that it could be said that it was a planned, deliberate and cold-blooded murder. I think this definition clearly incorporates under "deliberate" the idea of cold-bloodedness. On a very cursory examination, it does not appear to me that the word "planned" is necessary. I wonder whether the minister would give this point careful consideration because although I am making these criticisms I do so on the basis that it is our task in this committee to produce the best possible legislation covering these particular points. I think the onus is on every

member to try to make valid, positive criticisms in order that we will have the best legislation possible.

Mr. Fulton: Mr. Chairman, several hon. members have suggested that I should attempt to define the words "planned and deliberate" as used in this clause. I think there is very great danger in attempting such a definition precisely because, as I have said, in the final analysis the courts interpret and are the proper authorities to interpret the words of a statute. Of course, in considering the import of words it must be realized that their applications—not their meaning but their application—will vary from case to case depending upon the circumstances of that case. The evidence of what took place has to be weighed and the jury, subject to direction from the judge, will then have to apply their minds to whether or not the circumstances in that case show that there was a planned and deliberate murder.

However, I have no objection to indicating the concept that we worked out and have asked the experts to incorporate into the technical language of a bill. The purpose of using the expression "planned and deliberate" was to add something to the usual idea of intent or *mens rea* or malice aforethought. That something is an element of greater premeditation than the expressions I have mentioned necessarily connote. Because the words "deliberate and premeditated" in the United States have tended in some states to be equated to mere intent, we selected words which in our view would and do make plain that something more than intent formed on the spur of the moment and under a sudden passion or impulse is required to constitute capital murder. So it will be appreciated that instead of using the words "deliberate and premeditated" we have used the words "planned and deliberate" in order to give expression to the thought that something more than mere intent or *mens rea* or malice aforethought, as they have been interpreted, is involved.

We all know the meaning of "planned" and of "deliberate". They import the idea of the mind making and carrying out a project not thrust upon it by sudden passion or impulse. I think a time element is present but it may vary from case to case. Plans may be conceived and carried out very quickly but they must be plans and not merely impulses. When the words are applied to a specific set of facts, as they always will be in practice, I do not think a judge will have too much trouble explaining or a jury understand the definition. Finally, I suggest that "deliberate" has no direct bearing on the question of mental capacity, which remains as it is now.

[Mr. Drysdale.]

We have also, Mr. Chairman, given some consideration to the point raised first by the hon. member for Berthier-Maskinonge-Delanaudiere and referred to recently by the hon. member for Megantic, namely, the question of whether or not the French translation, "projeté et délibéré", did carry into effective language the concept I have outlined as the concept involved in the English words, "planned and deliberate". It has been suggested to me that possibly they do not as accurately reflect the concept as those words in the English text. It will be appreciated, as I said earlier, that this is a very technical question, the determination of whether or not certain words or certain phrases in French have exactly the same meaning in that language as phrases or words in the English language. I am not in the least qualified to express an opinion on this matter, and I would normally be guided entirely by the opinion of the translators who are trained in this work.

However, after some discussion I am advised that it may well be conceded that the words "planned and deliberate" in English would be better rendered or rather the concept of that phrase would be better rendered by the French words "projeté et prémédité" rather than the words "projeté et délibéré." I am informed, too, that the French word "prémédité" used in this context does not have the rather restricted meaning of the English word "premeditated" as it has been interpreted judicially. We would be quite prepared, therefore, to consider substitution of the words "projeté et prémédité" for the words "projeté et délibéré."

There is only one other comment I should like to make in connection with this clause, in response to a suggestion made by hon. members in connection with the position of prison officers and police officers. I believe it was the hon. member for Niagara Falls who first raised the question of whether the killing of a prison officer in the course of a riot where the purpose of the riot was not directly to escape or effect rescue from the prison but was, shall we say, in the course of protest against conditions in the prison, would be considered capital murder. The hon. member suggested that an inmate acting on impulse might kill a guard, and asked would that be capital murder. I ventured the suggestion earlier this afternoon that it would probably be regarded as capital murder, one or the other of the two types of capital murder, namely as a killing committed in the course of an attempt to escape or effect a rescue, or as a planned and deliberate murder. In the case of an inmate, particularly one who may have smuggled a

weapon into the prison, and then used it in the course of a riot, a killing with it would very likely result in a jury finding that the killing was planned and deliberate under those circumstances. I do, however, want to make clear that it was our intention to cover such circumstances. It is our view that by reference to those offences under section 202, plus the provision regarding a planned and deliberate carrying out of murder, such a case is covered as being capital murder. However, lest there be any doubt on the matter I will be quite prepared to consider an amendment to add a specific provision making it clear that the killing of a prison officer by an inmate in those circumstances is capital murder because that would not change the intent with which we started out in this bill. Similarly, in so far as the killing of a police officer in the course of his duty is concerned, that situation might be specifically covered also. I am not suggesting here a final drafting of such an amendment. I believe these situations are covered now because section 202 refers to a killing in the course of resisting lawful arrest. I think in most circumstances where one could envisage a person killing a police officer, the police officer would be acting in the course of his duty and the situation would, therefore, come under that general coverage.

As I have said, it is our intention that these situations should be included. However, I understand that several hon. members of experience are concerned, so I see no harm in making it perfectly clear by a special reference to both the position of the prison officer and the police officer, and we will be glad to consider the drafting of such a provision.

Mr. Martin (Essex East): While the minister is on this aspect of the matter, and since he is dealing with the meaning of "planned and deliberate", is he going to deal with the question I raised as to whether or not a person has to be in control of his reason. A man could not be in control of his reason but could plan a murder, could be deliberate in its execution, and yet he would come within the definition of "planned and deliberate". Could the minister indicate whether or not that definition presupposes the man is in control of his reason?

Mr. Fulton: I think I answered that in what I said about "planned and deliberate". I have suggested that this wording has no direct bearing on mental capacity, the definition of which remains as it is now in the law with respect to the defence of insanity. Whether a person is or is not responsible for his act, it seems to me that defence is defined in the code and that the word "deliberate" has no direct bearing on the question of mental capacity.

Mr. Deschatelets: If I understood the minister correctly, I believe he has acknowledged that the position taken by the hon. member for Niagara Falls was well taken. Do I understand that the minister will accept an amendment drafted by the hon. member for Niagara Falls to cover the point raised?

Mr. Fulton: No, I said we would be prepared to consider the matter overnight and bring in an amendment to cover the point raised by the hon. member for Niagara Falls. My answer earlier was that we think it is covered. Since, however, we intend it to be covered, we have no objection to having a provision so worded that we can all agree the situation is covered.

Mr. Deschatelets: Would the minister have any objection to the hon. member for Niagara Falls moving an amendment tomorrow after it is drafted by his officers?

Mr. Fulton: I would be glad indeed to have the support of the hon. member for the appropriate amendment.

Mr. McGee: Mr. Chairman, before the Minister of Justice is influenced by any more suggestions along the line of extending the application of this bill, which some of us thought was moving in the other direction, I should like to discuss this question of "planned and deliberate". I wonder whether we can take it from what the Prime Minister said this afternoon that in effect we now have three degrees of murder, or in a sense four. If a death occurs there are four consequences. Starting from the bottom, they are manslaughter, non-capital murder, capital murder with a recommendation for mercy, which would presumably mean imprisonment for life unless a cabinet directive indicated that a different course should be taken according to a later clause of the bill, and finally capital murder punishable by hanging.

Frankly I approve of the tendency in this bill to put more responsibility into the hands of the jury. In the minister's review of the history of capital punishment and its former very broad application down to its very limited application today, he made reference to the fact that in the early days juries were reluctant to bring in verdicts of guilty in cases like the frivolous crimes of stealing a few shillings, pickpocketing, and so on. It was because of the action of juries and, as the minister pointed out, some enlightened bankers a little later on, that finally pressure was brought to bear which reduced the application of the death penalty at that time.

If through this bill we put into the hands of the jury the additional question of fact, as the minister expressed it earlier today, of determining as a matter of fact whether a murder is planned and deliberate, it seems to me we should perhaps use language which will have a more complete meaning to a jury.

I suggested last week, when the discussion in committee first began, that perhaps "cold-blooded" might be another adjective to add to the description that in my view the majority of people in this country have in mind. I have selected and discarded a number of other words since that time and have come up with two specific suggestions, that a murder to qualify as capital murder should be vicious, cold-blooded, planned and deliberate.

To support that suggestion I offer on the one hand the suggestion that words to persons who must, to qualify for jury duty, be not learned in the law will carry a different sort of weight than the rather confining language of law generally. It seems to me that juries will be able to better understand the implications of the words "vicious and cold-blooded" than the simpler words "planned and deliberate" that are proposed at the present time.

I offer as one of the few examples an editorial in the Toronto *Telegram* of May 16, 1961, where the caption is "Murder in cold blood". In other words, it seems to me that is what we must have in this law, if we are handing over so much more responsibility to juries. Like the hon. member for Parkdale and other hon. members, I have great confidence in the jury system and certainly the way in which this system has been responsible for various reforms in connection with capital punishment over the years.

It seems to me that the question at the top rung of the ladder, if you like, should include a more precise and generally better understood description of what I believe this parliament had in mind in describing the type of murder for which capital punishment should be the penalty and what I am very confident is in the minds of the majority of Canadians who have expressed their opinions on this matter on a continuing basis in recent years. I do not know at what point I should move this form of amendment, but perhaps now is as good a time as any.

I should like to go on to ask what is, perhaps, a layman's question about the word "or". I wonder whether the minister could answer this question before I proceed. In clause 1 (2) (a) it is said:

> it is planned and deliberate on the part of such person, or

Then you go on to subclause (b). It seems to me there might be some merit in changing that word "or" to "and", and perhaps the minister would point out the reason for the use of the word "or" rather than the word "and".

Mr. Fulton: The use of the word "or" there is appropriate because it is our intention to make these alternatives. Therefore the conjunction "or" is used rather than the conjunction "and" because if "and" were used you would have to prove that the murder had both these elements; in other words, that not only was it planned and deliberate but also that the killing took place in the course of the commission or the attempted commission of another crime. This to us is not at all appropriate.

The crime in mind may have been the crime of murder, which has no relation at all to any other crime. Therefore we do not want to provide that capital murder must have both elements. All we want to provide is that capital murder is a killing which is itself planned or deliberate, or a killing which occurs in the course of committing other crimes which by their nature import not only an element of violence and, as it were, defiance of society, but also the element of deliberation; that is, the person embarked on a course of deliberation, stealth or violence and in the course of carrying it out he killed. In our view that imports the element of deliberation which we feel should be present to constitute capital murder.

We do not intend to provide, and it would be a mistake to provide, that not only must the killing itself be planned and deliberate but it must take place in the course of the commission of another offence in order to be capital murder. That would be the effect if we used the word "and" instead of "or".

Mr. McGee: I thank the minister very much for that reply. I refer to the reply he gave earlier in connection with this question of diminishing responsibility which I raised. The minister will recall that on May 23 the hon. member for Charlevoix, in his speech on second reading, made a specific proposal to which I have not found any reply on the part of the minister.

The hon. member for Charlevoix was concerned, as are a great many hon. members of this committee, about the question of the contradiction mentioned by the hon. member for Burnaby-Richmond. I refer to the fact that the M'Naghten rules, while they may have served a very important purpose, were in fact brought into being not in the normal course of the process of law but because of a directive brought into being in 1843 when the science of psychiatry and the knowledge of the workings of the human mind were in their earliest stages. It has been argued by some that the M'Naghten rules have

been fairly successful and if one criticizes them the reply is, "If you do not like the M'Naghten rules, what have you to offer as an improvement or an alternative?"

I am not too concerned about the definition, if there is no better one available to apply, in terms of determining sanity or insanity in law, but I am most anxious that this question of sanity should not be concerned in the capital murder category. There has been much discussion of the United Kingdom homicide act of 1957 and I notice that several hon. members of the Liberal party in particular seem to be greatly enamoured of that act. I would caution them, as the minister has already pointed out, that this particular bill was subject to the most strenuous criticism at several points on its inception and in the debates in the United Kingdom parliament and that it has been under continuing fire ever since it became law. There are serious flaws in it, and, as I said on second reading, the bill put forward by the minister in an attempt to find a middle point is a far more intelligent and successful attempt to accomplish the intentions of the government than the homicide act of 1957.

I would point out, however, that one of the features of that act which has been praised and been the subject of favourable comment was, in effect, the removal from the picture of capital punishment of the application of the M'Naghten rules by specifically designating—the clause was quoted, I believe, by the hon. member for Niagara Falls—

> 2. (1) Where a person kills or is a party to the killing of another, he shall not be convicted of murder if he was suffering from such abnormality of mind (whether arising from a condition of arrested or retarded development of mind or any inherent causes or induced by disease or injury) as substantially impaired his mental responsibility for his acts and omissions in doing or being a party to the killing.

It seems to me that this would have considerable merit. It would allow the application of the M'Naghten rules to come into force with respect to non-capital murder only, and the question of sanity in terms of the law in capital cases would be determined by this definition which, I suggest, is an improvement.

As I mentioned earlier, the hon. member for Charlevoix put forward the proposal that a board of psychiatrists be established at some point in the judicial system to determine sanity outside the application of the M'Naghten rules. I may be wrong, but I do not recall the minister having offered an opinion concerning the desirability of an examining board being introduced at some point in the process of the law to determine medical sanity as opposed to legal sanity according to M'Naghten.

Mr. Drysdale: The minister has indicated he is prepared to amend the section dealing with the specific case of murders committed in the course of a prison break, murders of prison officers. If I may refer to my own bill, No. C-38, clause 2 paragraphs (b), (c), (d) and (e) I think he will find something there on which to base his amendment.

I wonder if the minister has felt that the definition of a weapon as contained in the Criminal Code is wide enough to cover death caused by an explosion whether of a bomb, dynamite or other material. The definition in the code, though intended to be general, seems to refer to a specific type of weapon such as a revolver.

Mr. Fulton: I thank the hon. member for Burnaby-Richmond for the helpful work he has done on his bill. We shall certainly have a look at it. In reply to the hon. member for York-Scarborough and his reference to the question of possible statutory provision for a board of psychiatrists, we have considered that possibility. It was also discussed by the royal commission on the law of insanity as a defence in criminal cases. We came to the conclusion that there was no need to make statutory provision for such a body. We thought the situation would be more open and flexible if we left the law as it is at the moment, bearing in mind that the provinces are responsible for the enforcement of this branch of the criminal law as they are of others. It would mean imposing upon them a liability for maintaining boards of psychiatrists. Some of the provinces do, in effect, maintain them; others do not. This would introduce a degree of rigidity which it is not necessary to have in view of the essential fact that at the present time in the course of any case it is open to the crown or to the accused to raise the question of the mental competence of the accused and then to introduce psychiatric evidence in that connection.

In reply to the question raised by the hon. member for Burnaby-Richmond with regard to the definition of the weapon, we have examined that point and reached the conclusion that it would not be desirable, nor would it be necessary to be at all specific in that regard. Killing by an explosive such as a bomb is surely covered by the general provision regarding deliberate or planned murder. For example, if anyone successfully plants a bomb in a plane he surely cannot be thought to be guilty of anything other than a planned and deliberate killing. Similarly, if the accused plants a bomb somewhere on the surface of the earth that could only be a planned and deliberate killing, we felt it was not necessary to broaden the definition of "weapon" so as to take care of that case.

Mr. McGee: I appreciate the point the minister made concerning the rigidity of the system which might be imposed on the provincial authorities by the establishment of boards of psychiatrists, but I have had some experience of the problem caused by psychiatric evidence while I was acting in the capacity of a juror. I recall that during one trial the prisoner apparently went to sleep in the dock. An issue then arose which assumed the form of a trial within a trial. The defence argued to the effect that if a man could fall asleep in a courtroom when he was on trial for his life this was prima facie evidence of insanity of some sort. We heard some learned argument on both sides for and against this proposition. We then retired to the jury room in this trial within a trial, as I have said, to decide the question whether the accused was really asleep or whether he was only pretending to be asleep. This was an interesting diversion, but how can any group of persons looking at another person decide whether in fact that person is asleep or pretending to be asleep? Since there was no conclusive evidence it was virtually impossible to decide. However, we came to the conclusion that since the matter of insanity would be arising later in any event we would decide, for the time being at any rate, that there was a possibility of malingering. But after the psychiatrists had confronted the jury—and this jury was made up of persons from many walks of life with various backgrounds, degrees of education and vocabulary—by the time we had heard the psychiatric evidence presented by both sides, members of the jury quite frankly were more confused than before the presentation of this psychiatric evidence.

Having had that experience, coupled with the opinion expressed in different articles which I have read along this line, I have come to the conclusion that the hon. member for Charlevoix may be right in his suggestion regarding the establishment of such a board.

I should also like to state that the minister has not acknowledged—perhaps he does not agree—that there are findings within the application of the M'Naghten rule, which should apply, nor has he given any reason why a clause, similar to the diminished responsibility clause in the British act, should not be inserted into this proposed new legislation. He did say earlier this afternoon that a recommendation to include such a clause was not put forth by either the Gowers commission or our parliamentary committee. With great respect, however, I would submit that is not a powerful argument for its exclusion, because the principles included in this bill itself are not included either in the Gowers commission recommendations or the recommendations put forward by the Canadian parliamentary committee.

Mr. Fulton: Mr. Chairman, I am not quite sure I appreciate the point the hon. member for York-Scarborough is trying to make. I do not know whether he is referring to the desirability of having the examination of a person, who has been sentenced to death, carried out by a board of psychiatrists, or referring to the desirability of examining every person who faces a capital murder charge, carried out by a board of psychiatrists. If he is referring to the desirability of having every person examined by a psychiatrist, that person having been sentenced to death, I should remind him of the practice which has been, for many years, and is being carried out, of having a psychiatrist retained by the federal government examine persons in precisely those circumstances. The cabinet receives a full report from that psychiatrist, which is available to it in its consideration of the question of exercising clemency.

We have one psychiatrist for all English speaking Canadians who journeys around the country examining persons sentenced to death. There is another psychiatrist who examines all French speaking individuals who are similarly condemned. We obtain adequate and thorough consideration in respect of the psychiatric condition of condemned men in this way, as well as a degree of uniformity in approach, which I think is most desirable in these cases. In addition, of course, any psychiatric evidence given at the trial is available to the cabinet, and it is the practice of the federal government psychiatrists to consult, generally speaking, with others who have given psychiatric evidence, if that individual feels that consultation is helpful.

With regard to the doctrine of diminished responsibility, I realize that views vary, but I should like to refer to this question again, if for no other reason than to correct a misstatement I made this afternoon. I believe I said that both the Gowers commission, of the United Kingdom, and our own parliamentary committee had made recommendations against the adoption of that doctrine. To be completely accurate, I should have said that the Gowers commission recommended against the importation of this law into England, although it said it had no objection to its application as then incorporated in the law of Scotland. It did, however, recommend against its extension. In Canada it was not our parliamentary committee which made the recommendation against it, because it did not deal with the subject at all. The royal commission on the law of insanity recommended, as found

at page 46 of their report, conclusion No. 11, against the adoption of the law of diminished responsibility in Canada.

I was asked earlier by the hon. member for York-Scarborough why we used the word "or", as against the use of the word "and", in one of the clauses of the bill. Perhaps I should have based my explanation on a simile, which I now do. There are certain events taking place across the country today, where the choice to be made is between a Liberal or Conservative candidate; one or the other must win. Therefore, we say one or the other, because they cannot both win, which would be the effect if we used the word "and". It must be either one or the other. The committee will be pleased to know that in the riding of Restigouche-Madawaska the Conservative candidate has won.

Mr. Godin: Mr. Chairman, I rise to make a few more remarks concerning this proposed legislation, prompted by the remarks made by the Prime Minister this afternoon, as well as by the fact that the Minister of Justice has involuntarily omitted to comment on a remark which I made concerning paragraph (i) 1, or 1 (i).

The Prime Minister made it quite clear by his remarks this afternoon that he felt something should be done in Canada to assure that no one who was convicted on circumstantial evidence of the crime of murder, or any other crime, should lose his life because of it. This feeling is shared by most hon. members of this house, as well as the majority of citizens of Canada. However, I felt the Prime Minister was blowing both hot and cold, because as clause 1 of this proposed measure now exists, there is no effort represented there, on the part of the government, to pass a law which would prevent the conviction and execution of any individual on solely circumstantial evidence. One always realizes the horror of the situation when a man is sentenced to death, because there is always the possibility that an innocent man will lose his life. In spite of this fact, and the words of the Prime Minister this afternoon, we find nowhere in this bill, as presented to us at this time, a clause representing any effort on the part of the government, to eradicate the possibility of such a thing taking place. I suggest that many people in this country, and more specifically a judge, with whom I recently spoke, have objection to the present law, which is not changed substantially by this bill, in this respect, because it does not include a high degree of security or safeguard, so that individuals in this country will not be convicted or hanged on circumstantial evidence. While I must admit there is no portion of this bill which deals with the subject, clause 1 does attempt to segregate crimes in respect of which capital punishment applies. This is one problem for which there is no solution contained in this bill.

As one reads clause 1 one sees that something is being done to try to do away with capital punishment by the back door. If clause 1 is passed in the form in which it now reads, murder in Canada will from now on be punished by life imprisonment, with certain exceptions. This may be of interest to certain hon. members who have made quite a plea for the retention of capital punishment up to a certain point. The punishment for murder in Canada from now on will be life imprisonment except for the offences enumerated in clause 1. I feel there should be two ways of referring to it, namely capital murder and non-capital murder. It seems to me we could retain the phraseology that murder is punishable by life imprisonment and upon a verdict of capital murder being found the penalty is death. This would solve the problem.

I make these remarks with the reservation that it is my opinion that clause 7 should be removed. If clause 7 disappears from this bill there would be no point in enumerating both capital murder and non-capital murder. To introduce the new terminology a verdict of capital murder would suffice.

As I have said, I rose to speak again because the minister—I know he is a busy man —did not answer my remarks on clause (2)(i). I have had occasion to discuss this question with other people learned in the law. They have indicated to me that the responsibility of the accomplice is not the same in clause (2)(i) as in clause (1)(ii) and (iii). This means that if the crime of murder is committed by hitting a person with an object the accomplice has a greater responsibility for the crime and could be found guilty of murder in such cases much more readily than in other cases such as choking or stopping a person's breath, where the act is repeated. We do not find in clause (1)(i) any reference to the stopping of a person's breath. The clause stops abruptly after the simple words "assisted in causing the bodily harm from which death ensued". This does not necessarily mean assisted in applying force which caused the bodily harm and which itself was the cause of stopping the breath. I feel sure the minister will see my point. I suggest that after the words "assisted in causing the bodily harm" in clause (1)(i), there should be added the words "assisted in applying the force causing bodily harm". The physical act of stopping the breath or administering

the stupefying thing would place the accomplice under the same degree of responsibility. I feel the minister should have no objection to this.

The minister tried to answer my query about paragraph (a) which deals with a person who has been killed but not the person who has committed the offence. I realize that the intention of the minister and of parliament is undoubtedly to amend the code so that the person who commits the offence is the person who is referred to. If a murder is a capital offence if the person committing it has deliberately done so, why not say it? Why use the phrase "in respect of any person"? When the reference is to the person committing the offence, why say "in respect of any person" in an important clause such as this? For this reason alone I am still prepared to say that it is an ambiguous clause and that lawyers will debate it and will say that the murder must be deliberate as to the person who is killed. If he kills the wrong person you cannot hang the person committing the offence, particularly if he can be found guilty of committing another type of murder. I repeat, the clause is ambiguous. I say that I might construe the meaning to be the opposite of that which the minister would give to it. Why does he not use the words "the person who committed" and let us be done with it? Then it would not be "in respect of any person" who could be the person killed or the person doing the killing.

Mr. McGee: Will the hon. member permit a question? This is the question I said I was going to ask this afternoon and did not. He suggested debate would take place among lawyers as to what "in respect of any person" means, and who that person is. Does the hon. member seriously think that lawyers will debate the matter as to whether you are going to hang the accused or the victim? Does it not boil down to this?

Mr. Godin: I am sorry; the hon. member does not seem to grasp the argument I am making.

Mr. Deschatelets: Don't worry; he is going to be executed at the next federal election.

Mr. Godin: The murder to be deliberate and planned must be so in respect of any person. I realize that we do not want to so amend the code that the person who is proved to have committed murder will be sentenced for capital murder. An argument must be made to show that it was deliberate as to the person who has been killed. I realize that it is a simple argument as far as phraseology is concerned; but there is no doubt that the second part and the first part, for that matter, of the clause are ambiguous.

[Mr. Godin.]

We now come to paragraph (b). I recall that a moment ago the hon. member for York-Scarborough indicated that he would like to see the word "and" included in order to couple the two subparagraphs together. When you get down to paragraph (2) (ii) you find that the person by his own act must have administered or assisted in the act. The murder refers to the guilt of the person who applies the force, but I just wonder in the first instance what gain there is in using the phraseology which does not say exactly what parliament intends. Of course, people on juries are not lawyers. As everyone knows, lawyers are barred from sitting on juries. Jurors are not versed in the law nor in the terminology of the law, and they may be affected by the argument which I am making now. I state that we have at least confused matters in this sentence and I do not think we can afford to do that.

As I have said to the Minister of Justice, there are certain amendments I should like to see introduced in clause 1 which will at the same time cover the intentions with respect to the offence as indicated by the minister. Mind you, I do not suggest that what we set forth in clause 1 will never be changed. I realize that laws of this nature can be close to perfection but not absolutely perfect. I also realize that the minister is very tired. I should like to read him my conception of clause 1 so that he can sleep on it and possibly come back tomorrow prepared to change the odd word. I am sure he can do so without changing the principle of the bill and at the same time make the meaning clearer to those ordinary Canadians who will sit on juries and to whom these clauses will be read from time to time. If he has this suggestion before him it may very well be that tomorrow he will be prepared to introduce these ordinary words which will mean something definite and will not leave jurymen in the position of having to spend some time wondering what a phrase actually does mean. I am pleased to read to the minister my version of clause 1 taking into consideration the elimination of clause 7. Clause 1 as I should like to see it worded would read as follows:

1. The Criminal Code is amended by adding thereto, immediately after section 202 thereof, the following section:—

Of course, the clause I suggest could possibly fit in after other clauses but as the minister has decided to place his clause on this point immediately following I will continue with mine:

A verdict of guilty of capital murder shall be rendered where

(a) the said murder is planned and deliberate on the part of the person committing it;
(b) the said murder is within section 202 and such person
(i) by his own act caused or assisted—

Here is a change.

—in applying the force or threat of force causing the bodily harm from which the death ensued.

The rest of the section would remain as it is except that subsection 3 would disappear. With these remarks I am prepared to leave my reflections with the Minister of Justice.

Mr. Fulton: I thank the hon. member for his solicitude. I can assure him I am not tired. "Tired" is not the right word, I think, to describe my reactions as I listen to some of the things that are said. We will certainly have a look at the hon. member's draft. If we think it improves the section we will be glad to say so and to make the appropriate change. I can assure him, however, that this section was not drafted carelessly or in haste or without any consideration of the sort of point that the hon. member has raised. I do suggest to him that where we speak of a person who by his own act does these things the ordinary juryman will have no difficulty in deciding that we mean the person who caused the death and not the person who was killed.

Mr. Spencer: Mr. Chairman, sub-section 2(a) of clause 1 of the bill gives me some concern. I do not know whether this point was raised before, as I was not in the house in the early part of the evening, but I have reference to the use of the conjunction "and" between the words "planned" and "deliberate". I do not consider these two words as being synonymous. The word "planned", I think, does not admit of much doubt as to its meaning. I think any murder which is planned must be deliberate, that is, the killing must follow as a deliberate act. But I do not think that a murder which is deliberate need have been planned. I think there is a distinction. May I refer to the considered remarks of the minister when he introduced the bill. As found on page 5223 of *Hansard*, he said:

In carrying out the delicate but important task of bringing the law into line with our convictions in this field, we have concentrated our attention on producing a system which represents a rational and logical application of those principles of law upon which I have touched. We have accordingly started on the basis that there are two broad types of killing. The first is where the death does not result from any act of deliberation on the part of the person causing it—

At that point I wish to note that the word "planned" was not used.

—but can be said to be impulsive or non-deliberate, in the sense of being in no way within the prior contemplation of that person. It is our view that the death penalty ought not to be the consequence in these cases, and accordingly although the crime may be murder, it is classed as non-capital and a sentence of life imprisonment only is provided.

I point out, Mr. Chairman, that the view expressed there was that in order for the murder to be classed as non-capital it must be impulsive and non-deliberate and no reference is made to the fact that it must not be planned. The minister went on to say:

The other type of killing is the case where death is caused deliberately—

Then the word "or" is used.

—or as the result of a planned act of the person causing it. All these cases are classed as capital murder and for these cases, but for these cases only, the sentence of death will follow automatically on conviction.

My desire is that an explanation be given why the word "or" should not be used instead of the conjunction "and" because from the explanation given by the minister it appears to me that there are such things as murders which, in the one case, are deliberate and murders which, in the other case, are both deliberate and previously planned.

I think it might be of importance to read another paragraph which follows a little further on in which reference is made to the second type of murder. The minister said:

The second is the category in which, although a killing itself may not have been consciously and initially planned, yet the course of action embarked upon or planned had within it such an element of criminality and violence, as well as of deliberation or stealth, that the killing must properly be regarded—

Then, I emphasize these words:

—as deliberate by the person who did it or who counselled or procured the doing of the act which caused it.

These words, of course, have reference to paragraph (b) of subclause 2 which deals with murders which fall within section 202. In the case of these murders, you will note that it is capital murder where death follows the commission or the attempt to commit certain definite offences. The deaths that ensue need not be planned or deliberate. The deaths result during the commission of the offences and if death is caused by an individual, by his own act, then that killing is considered to be capital murder.

My concern is that in the explanation the planning and deliberateness were not considered to be a necessary combination. The deliberateness, in itself, would justify capital punishment, and that was the construction I took from the remarks that were made. If you used deliberateness in the commission of the murder then, that alone, would be sufficient to classify it as capital murder.

Mr. Fulton: Mr. Chairman, a little earlier this evening I gave the committee an outline of the concept we had in mind which we have translated into legal terms by the use of the words "planned and deliberate". I said it was our view that what was necessary was something more than what was usually involved in intent or *mens rea* or malice aforethought. I pointed out also that the words "deliberate and premeditated" in the United States have tended in some states at any rate to be interpreted as meaning not much more than *mens rea* or intent as those words are defined in a legal sense. We wanted something more than that.

I would point out a significant passage in the Gowers commission report which draws attention to the fact that in most jurisdictions where there are degrees of murder, the division of the degrees is based on the original enactment of the commonwealth of Pennsylvania which has carried into legal form this concept that murder which is deliberate and premeditated, to use their words, should be capital and other types of murder non-capital. The actual words are that "all murder which shall be perpetrated by means of poison, by lying in wait or by any other kinds of deliberate and premeditated killings are capital murders." As I say, most jurisdictions where this kind of division has been attempted use words based on that definition, and generally the words are "deliberate and premeditated".

We felt, as I say, that while this country would not necessarily follow the pattern of the law of the United States, nevertheless they both spring from common roots and the tendency there has been to narrow the interpretation of "deliberate and premeditated". We wanted, therefore, to find another word that would import an element of something beyond mere intent or *mens rea* and we felt the words "planned and deliberate" best achieved that purpose. I do not think there can be much argument that something which is deliberate might well not be planned and deliberate in the legal meaning. Somebody might pull a gun and deliberately squeeze the trigger. This may well be the result of an impulse and therefore, in the sense of being a planned murder, would not fall within the definition. As I have tried to indicate, we feel that the words "planned and deliberate", not planned or deliberate, bring in this concept of something more than a mere formation of intent.

Mr. Martin (Essex East): I was very interested in the observations of the hon. member for Essex West who, I know, is a good lawyer. I could see that he was troubled by this particular combination of words. He says that he had understood that capital murder might consist of a deliberate act that was not planned. It is now clear from what the minister has said that what is intended is a combination of two states of mind, if I may refer to "planned and deliberate" in that context, in order to constitute capital murder. If I understood the minister correctly in what he has just said, in order to constitute capital murder, the act must not only be planned but it must also be deliberate. It must not only be deliberate, but it must also be planned. I take it that is the situation? I cannot see the minister clearly.

Mr. Fulton: I will deal with my hon. friend's remarks when he has finished so I know the whole of the implication he is trying to take from these words.

Mr. Martin (Essex East): I had understood the situation this way. The hon. member for Essex West had put it differently and I understood from what the minister said earlier and from what he has now said, that my judgment was confirmed, that you must have both of these states of mind present, "planned and deliberate", and if you omit one then it is not capital murder.

Mr. Fulton: I have no quarrel with that summation, Mr. Chairman.

The Chairman: Shall clause 1 carry?

Mr. Fulton: No, Mr. Chairman, I indicated that we would consider introducing an amendment to the clause to cover the case of prison guards and police officers, so perhaps clause 1 could stand.

Clause 1 stands.

On clause 2—*Punishment for capital murder.*

Mr. Drysdale: I should like to make one point in connection with clause 2, paragraph (3), which deals with the apparent age of the accused. I wonder, in the interests of clarity, if it might not be advisable to have the clause read something like this:

> Notwithstanding subsection (1), any person who is under the age of 18 years or who appears to the court to be under the age of 18 years—

The other sections of the Criminal Code appear to specify the age and it is only when there is no way of being certain of the actual age that they rely on the appearance. As the section reads, if a person appears to the court to be, for example, 19 years of age and is actually 17 years of age, under this particular section he would be guilty of capital murder and hanged, whereas I think the inference is that the actual age of the person who has the appearance of being 18 years of age should be considered.

Mr. Baldwin: Mr. Chairman, before the minister comments I wonder whether he would answer another question I have in mind. The wording in the subsection to which the hon. member referred is "appears to the court". I therefore conclude that this is not a question of fact to be decided by a jury but that the judge, who might well be substituted for the word "court", will have the determination of that particular issue?

Mr. Fulton: Yes, Mr. Chairman. To deal with the last question first, that is the intention, because as will be seen from reading subclause 3, it does not affect conviction but only sentence. The jury may convict of capital murder, but the provision is that no person who appears to be under the age of 18 shall be sentenced to death.

To go back to the question of the hon. member for Burnaby-Richmond, it seems to us, and I think on good ground, that where there is certainty about the age of the accused there would be no difficulty. The case where this provision becomes applicable and important is where there is uncertainty about the age of the accused. Surely if, for instance, a birth certificate were produced there would be no uncertainty about the age of the accused, unless that birth certificate was shown to have been fraudulently acquired.

Therefore it would appear to the court from the evidence of the birth certificate that the accused is under 18 years of age and there would be no doubt about it. But supposing there were no birth certificate. In that case the matter of the evidence as to his apparent age becomes important.

In that case I think it is important to have this provision, because it may well be that a person who looks to be more than 18 years of age might be shown by other evidence to be not more than 18 or to be under 18. So I think it is important to have this provision in this way. While it is not absolutely conclusive of the matter, I would point out that this is the wording of the corresponding provision in the homicide act of 1957 in the United Kingdom. That provision reads:

> Sentence of death shall not be pronounced on or recorded against a person convicted of an offence who appears to the court to have been under the age of 18 years at the time the offence was committed,—

Mr. Drysdale: Mr. Chairman, I wonder attention I could just draw this matter to the atention of the minister. My only desire is for clarity and uniformity. Section 12 of the Criminal Code says:

> No person shall be convicted of an offence in respect of an act or omission on his part while he was under the age of seven years.

They specify that. Then section 565, subsection 2 says:

> In the absence of other evidence, or by way of corroboration of other evidence, a jury, judge, justice or magistrate, as the case may be, may infer the age of a child or young person from his appearance.

All I was seeking to do was clarify what I considered to be an ambiguity. If there is the usual strict, statutory interpretation I would suggest that the statute at present permits the very situation I have suggested, because all it provides is for the judge to infer what the age is; there is no provision for using the best evidence such as a birth certificate or other evidence of that kind.

Mr. Fulton: Mr. Chairman, I think my hon. friend has overlooked the very words he has read. Section 565 (2) says:

> In the absence of other evidence, or by way of corroboration of other evidence, a jury, judge, justice or magistrate, as the case may be, may infer the age of a child or young person from his appearance.

If there were no birth certificate, there would be other evidence and it seems to me the ordinary rules of best evidence would apply.

Mr. Drysdale: Yes, but that word is not contained in section 206 (3). I was referring to the fact that the two types of sections are used, the first one where the age is specified and the second one which says that if you cannot ascertain the age you infer it. All I sought to bring in was a specific reference to the age.

Mr. Fulton: Surely section 565 is one of general application. It starts by saying:

> In any proceedings to which this act applies—

That is the Criminal Code, and certainly the Criminal Code applies to proceedings here. Section 565 is one of general application, and it says that in the absence of other evidence the age may be inferred from appearance. That is why it is stated here that a person who appears to the court to have been under the age of 18 years at the time of committing the offence shall not be sentenced to death.

The court will reach its conclusion on the evidence. If there is firm evidence such as a birth certificate, there is no question. In the absence of that, the court may make an inference as to his age from the appearance of the accused.

Mr. Martin (Essex East): Surely what is intended in subclauses 2 and 3 is that anyone who is under the age of 18 years, or appears to the court to have been under the age of 18 years at the time he committed a capital murder shall not be sentenced to death.

The hon. member for Burnaby-Richmond has suggested that section 206(3) of the Criminal Code should read:

a person who was or appears to the court to have been under the age of 18,—

Is that the language the hon. gentleman proposed?

Mr. Drysdale: I suggested, "a person who is under the age of 18 years or who appears to the court to have been under the age of 18 years."

Mr. Martin (Essex East): The phraseology I have is that section 206(3) should read:

a person who was or appears to the court to have been under the age of 18—

While our wording is slightly different, the amendment is the same. It seems to me that the suggestion made by the hon. member for Burnaby-Richmond completes the subclause as I am sure the minister intends. If it is left as it is, a person who is in fact under 18 years of age and may not appear to be under 18 years of age does not come within the provision of the subclause.

Surely we want to make sure that a person who in fact is under 18 years of age or who appears to be under 18 years of age shall not be sentenced to death. The only way we can do that is by including words similar to those proposed by the hon. member for Burnaby-Richmond or by accepting the words I have proposed, otherwise we are excluding from the subclause a person who is in fact under 18 years of age and who may not appear to be under 18 years of age.

Mr. Fulton: Not at all, Mr. Chairman. The word "appears" is used here and it is used, as is always the case in statutes and legal proceedings, as a term of art.

My hon. friend will be familiar with the expression used in judgments, "It appearing to the court", so and so. That means the court is satisfied upon evidence that such and such a set of circumstances exists.

The effect of this is that where it is made to appear to the court that the person was under the age of 18 years at the time he committed the offence, there shall be no sentence of death. So of course this applies to a person who was actually under the age of 18 years, although he may not look it. The best evidence to make it appear to the court that he is under the age of 18 years is, of course, a birth certificate; but if there is no birth certificate, any other relevant evidence may be admitted to establish the circumstances.

Miss LaMarsh: Mr. Chairman, I have some remarks to make with respect to section 206 (1). I wish to first thank the minister for the graciousness of his remarks and for considering some of the proposals which I and other hon. members put forward earlier today with respect to the preceding clause. I hope the minister may greet the remarks I have to make now with as much approval.

There is in this phrase an opportunity, perhaps by an addition to it, to do something which is in the spirit of the statement made by the minister when he introduced this bill, that is to comply with the feeling which is abroad in the country and the feeling which appears to be agreed upon by most of the members of this committee. It is a simple amendment, but one with far-reaching effects. I have prepared an amendment which in a moment I shall read, and I shall send copies to the minister.

It will be recalled that a parliamentary committee which sat in 1954 and 1955, and of which the minister was a member, at least in 1954, heard several witnesses and, in particular, two, Dr. MacLean of Welland and Mr. Clinton Duffy of California in the United States, and both of them gave evidence gruesome in detail and horrible in concept of different methods of capital punishment. My amendment is to add to the words "shall be sentenced to death" which appear in section 206(1) the following words: "in a central lethal gas chamber".

It goes without saying that the amendment if approved will call for further conseqential amendments by the minister including perhaps the deletion of section 642. I believe this amendment would have the approval of most hon. members and certainly of the hon. member for Burnaby-Richmond who mentioned this matter an hour or two ago. If we are to retain the death penalty and to accept what the minister has said as to a feeling abroad in the country with respect to capital punishment for some crimes it would appear it is encumbent upon us to ascertain which is the most honourable way of carrying out this sentence—the most efficient way not only of destroying human life but of preserving the body for those to whom it still may have some significance, namely the family, besides being less brutalizing in its effect upon society itself.

It may be noted that I have used the word "central" as a description of the place where the executions are to be carried out. I have had some limited experience of the capital punishment carried out in the county of Welland. It was described by Dr. MacLean in his evidence at page 645 of the report of the special committee of this house and the other place which sat in 1954, and I have had the opportunity to observe the brutalizing effect on members of that community,

not only members of the bar and those associated with the work of the court such as jurymen or employees of the penal system but the public generally which knew that on a certain day within the court house, which is located in the centre of the city, capital punishment would be carried out. This has a most debilitating effect on those employed by the court—

The Chairman: I am sorry to interrupt the hon. lady but did I understand her to say she proposed to move this amendment? If so, I think I must ask the committee to express its views as to the propriety of such an amendment because I remember that when the debate on second reading took place Mr. Speaker expressed doubt as to the propriety of discussing the question of the method of execution. Therefore, we might save time if we found out whether the committee was in agreement regarding a discussion of this amendment and whether it is within the scope of the bill.

Mr. Fulton: I was in the process of looking up the authorities which I propose to lay before you in connection with that very point, because it appears to me very doubtful indeed whether this amendment is in order. You have called to our attention the fact that Mr. Speaker has already ruled that the question of the method of execution was not relevant to the principles of the bill and therefore could not be discussed on second reading. I have been looking up the authorities in order to find the precise ruling which, if I recall it correctly, says that amendments which cannot be moved on second reading because they are not germane to the subject matter cannot be moved in committee. I have not yet been able to put my finger on that authority but I am certain the rule exists.

If this amendment were ruled to be in order we would certainly be carried into something which is far beyond the scope of this bill. The bill proposes to divide murder into two classes, capital and non-capital, and to make certain changes in the procedure as to trial and sentence. It is absolutely silent on the method of execution. The hon. member for Niagara Falls herself directed our attention earlier to the fact that this involved a different section of the act, a section not mentioned in this bill, which discusses the question of the method of execution. Therefore I think that what I have said becomes completely obvious and that to discuss the method of execution is not only outside the bill but, in particular, outside the scope of the clause presently under discussion.

I would refer Your Honour to all the authorities, particularly those appearing in Beauchesne's fourth edition at page 171 on the question of relevancy which, I submit, applies equally in committee as it does in the house.

Mr. Drysdale: The hon. lady referred to me in the course of her remarks. I did intimate in the course of the discussion that the two matters were interwoven on an emotional plane and then I went on to state the reasons why I thought this was not an appropriate matter—this question of the method of capital punishment—to be discussed on this occasion. But the minister could, I suggested, bring the matter to the attention of the various provincial attorneys general. The alteration of the method of capital punishment would require a change being made to an entirely different section of the Criminal Code. That is one aspect of this question. But there is a second aspect. An onus would rest on the various provinces to reach a decision as to the construction of a gas chamber, its cost, maintenance and so on. I felt that the two matters were separate. I merely mentioned the subject to the minister as one which might be brought up at a later date.

As far as the accused man is concerned I do not feel it makes any difference whether he goes to his death by hanging or by the gas chamber. I suggested the greatest effect would be on the people who remained, the idea suggested by a gas chamber in the minds of some people being equivalent to putting a person to sleep. I pointed out clearly at the time why I did not think we could proceed to discuss this question. I support the idea, but I do not think this is the time to put forward such an amendment as the hon. lady proposes.

Mr. Martin (Essex East): I do not know that I intend to take issue with the minister on his interpretation of the rules but the matter raised by the hon. member for Niagara Falls is one to which not only she but many in this house attach a great deal of importance.

The committee is always the master of its own rules, as the house is master of its own rules. If the committee was prepared to regard this matter as one that should be included in the bill, and if there was no objection taken, there would be no difficulties, under our procedures, in putting forward an amendment like this. Perhaps it is true that the minister must take the lead in the matter, but does he not think that, in view of the strong case put forward by the hon. member for Niagara Falls; because of the views that exist in this house in respect of the matter, and because of the strong public opinion which exists in this country in this regard, that we might well agree in this committee that this particular matter should be dealt with this way? Our rules surely are not intended to preclude us from taking a reasonable course, but are intended to guide us

generally in debate. There have been occasions when the rules have been made subservient to the public interest on an expression by the committee of its desire to supplant these rules to meet a particular purpose. I suggest to the minister that this is the kind of case where that kind of plea could be made with some great justification.

Mr. Herridge: Mr. Chairman, I have been very quiet today because I am not versed in the obscure technical definitions of the legal language in which the hon. minister and other members of the legal profession have been indulging today. However, I can understand this type of amendment as it is within my comprehension. I must compliment the hon. member for Niagara Falls for her amendment, which I think does represent a large body of public opinion in this country, which indicates a desire for something to be done to remedy the present inhuman practice. I think her arguments were logical.

Mr. Fulton: Mr. Chairman, I hesitate to interrupt such an experienced member as my old friend from Kootenay West, but I think the question as to whether or not the amendment was in order has been raised, but not yet decided.

Mr. Benidickson: Oh, come, you are just an old Tory.

Mr. Fulton: I suggest the hon. member for Kootenay West might perhaps be happier if he knew whether or not his remarks were in order before he proceeded with them.

Mr. Herridge: I was rather following the lead given by the hon. member for Essex East, who expressed some doubt in his own mind as to this being in order, but wanted to express his opinion. I intend to do so as well, very briefly.

The Chairman: Order. May I point out that the hon. member for Essex East appealed to the minister to accept the amendment, notwithstanding the rules. That is what I understood him to suggest.

Mr. Martin (Essex East): Oh, no. What I had suggested, Mr. Chairman, was that the committee was master of its rules, as the house is master of its rules, and could agree to suspend the rules, but that the lead in the matter must obviously come from the minister.

The Chairman: That is what I intended to indicate. There is a difference between that course and the course followed by the hon. member for Kootenay West, which was rather a discussion in regard to the merits of the amendment.

[Mr. Martin (Essex East).]

Mr. Herridge: Mr. Chairman, I wish to conclude my very brief remarks. I think there is a difference without a distinction as between what was said by the hon. member for Essex East and what I have to say.

I should like, however, to express the wholehearted support of this group for the amendment, its intention and purpose, however it is achieved. I too think that it is quite gallant on the part of that hon. member, and in regard to this question, the member for Niagara Falls and the member for Kootenay West are two hearts beating as one.

Mr. Baldwin: Mr. Chairman, I should just like very briefly to lend my support to the position taken by the minister. In doing so, I should draw to your attention the fact that these sections, which are now being considered to amend the Criminal Code, are sections under part (v), which deals with the enumeration of offences, and the punishment. The sections dealing with penalties and forfeitures are contained in part XX of the code. Part XX is almost a separate code in itself dealing with capital punishment. Sections 642 to 653 of the Criminal Code inclusive, deal only with the question of capital punishment; how, where, and in what manner it shall be carried out. They are quite distinct and separate matters from the enumeration and definitions of criminal offences. I do not think it would be helpful at this time to introduce arguments which deal with the method of execution, as related to the question of what shall or shall not be capital or non-capital murder.

(Translation):

Mr. Deschatelets: Could I make a remark, Mr. Chairman?

The fourth line of section 2 of the bill under consideration ends with the words:

—shall be sentenced to death.

The hon. member for Niagara Falls (Miss LaMarsh) has suggested that section 2 be amended by adding the words "in the gas chamber". I cannot think of a more appropriate amendment.

The Minister of Justice and the hon. member who has just resumed his seat are far from having convinced me that the amendment is out of order. If it is out of order, I should like to know according to what section of the standing orders so that we may discuss the point.

(Text):

Mr. Fulton: Mr. Chairman, I do not know whether I can be of much more assistance to you in respect of the point of order, and perhaps I should only address myself to the

rather novel suggestion made by the hon. member for Essex East, that I should take the lead in inviting the committee to go beyond what the rules authorize. I think that is a suggestion which more appropriately should be carried out by the hon. gentleman who made it, than by myself.

Quite apart from its propriety, I find myself unable to accept it for reasons which were alluded to by the hon. member for Burnaby-Richmond. This whole question is one in which, in my view, it would be essential to have discussions with the provinces before any such change was adopted. I do not debate the merits of the proposal, but whatever the change, whether it involves the central place or the method of execution, since the provinces have that responsibility, I do not think it would be in order, nor courteous in matters of this kind, to do so without first of all discussing it with the provinces. I think that is essential to the proper administration of the law. I am therefore, not in a position to accept the suggestion that we should here embark upon a debate which is not only out of order, but which, in my view, deals with a matter in respect of which I am not at the moment in the position to properly express an opinion.

Mr. Roberge: Following those remarks of the minister, Mr. Chairman, I should like to ask him a question based on section 642 of the Criminal Code, which provides that the death sentence will be carried out by hanging the condemned individual by the neck until he is dead. Could the minister tell us when this section was enacted, or the preceding similar section, whether the provinces were consulted in respect of that method?

Mr. Fulton: Mr. Chairman, I am afraid that took place somewhat before my time, although I feel it has been included in the code for a good many years. I am afraid I cannot help my hon. friend by informing him how long it has been there. It certainly has been there as long as I have been alive, and I have escaped its effects so far. My impression is that it has been included in the code since its enactment, and feel it originally came from some pre-confederation statute. However, this does not seem to me to affect the question of relevance. I merely say that in a matter of this kind, where the provinces are charged with the responsibility of carrying out this task, it would not be appropriate to make a fundamental change in the method by which it is done, without prior consultation with the provinces. I have not said anything about veto. Although the responsibility and authority resides here, there are ways and ways of exercising authority, and I think it would be inappropirate to make such a change without having discussed the matter with the provinces on a previous occasion, at least to obtain their views.

Miss LaMarsh: I must confess I hesitate to rise on a point of order since I have not done so before. But in the first instance the minister said that the proposed amendment is not germane to the subject matter of the bill. The hon. member for Peace River made the remark that the clause which is now under discussion is one which, of course, does not enumerate any offences. They have already been enumerated in the preceding clause which is standing at the moment. This clause deals with what happens to someone who is convicted of capital murder or of non-capital murder, and what happens to someone who is convicted notwithstanding the fact that he is under the age of 18 years. The various subclauses certainly say how the body is to be disposed of in one way or another.

I would not have raised this at all on the second reading of the bill or in the general discussion of clause 1, because I agree with the opinions which have been expressed that this is not the proper place to do it. We are now discussing section 206 of the Criminal Code. Subclause 1 of section 2 of this bill which repeals section 206 of the code and the other subclauses are the ones which deal with the disposition of a human body after a certain sentence. I would therefore suggest to the members of this committee that the way in which a body is disposed of is most germane to the whole bill and to the clause which we are discussing at the moment. That being so, should the chairman rule that the amendment is in order I should like to conclude my remarks on the merits of the clause.

Mr. Fulton: One other point; if the suggestion in the amendment, if I understood it correctly, is that the federal government should set up a central place of execution, that, it seems to me, would impose a charge upon the revenues and would have to be preceded by a resolution.

The Chairman: Yes. First, I must point out to the minister that if a substantive amendment is moved I would have to deal with it then, but I do not think the amendment as it is at present would involve any expenditure.

I wish to point out first that this problem was raised by Mr. Speaker on May 23, as can be seen by referring to page 5233 of *Hansard*, where Mr. Speaker said:

> The hon. member may continue in this regard with the permission of the house, but it seems to me that the question of the abolition of capital punishment in certain types of murder is quite a different subject from the method of carrying out such a sentence. I am unable to find any reference

in the bill itself to this subject, and I feel that by allowing the hon. member to continue I would be allowing two debates in one.

That was the first time the question was raised. I may say that I myself, either during second reading of the bill or in committee, have allowed some references to be made when I considered those references were deploring the fact that section 642 of the Criminal Code was not being amended at the same time as are other sections of the code. Of course, I agree with the hon. member for Essex East that if the committee is unanimous and willing to dispense with the rules, that can be done—

Some hon. Members: Dispense.

The Chairman: —because the committee is master of its own rules; but as long as they are not amended they must be applied.

First of all, I refer hon. members to May's Parliamentary Practice, sixteenth edition, at page 421, where we find these words which I think are very clear:

> Stated generally, no matter ought to be raised in debate on a question which would be irrelevant, if moved as an amendment, and an amendment cannot be used for importing arguments which would be irrelevant to the main question.

I may indicate that Mr. Speaker ruled that discussion of the method of capital punishment was not relevant to the main question. I may also refer hon. members to citation 203 of Beauchesne at page 171, to which the minister referred before. I do not think I need to quote anything from Beauchesne.

The purpose of clause 1 of the bill is to divide murder into two kinds, namely capital and non-capital murder. The purpose of clause 2, to which the amendment is proposed, is to set out the punishment for capital murder and non-capital murder. I think there is an essential distinction between punishment and the method of carrying out punishment, although there is some connection between the two. That is obvious, but the distinction must be made and established. It is obvious to me that these are two different problems because section 642 of the Criminal Code, which deals with the method of punishment, is not amended by the amending bill now under consideration. Therefore, it seems to me quite clear that under these circumstances and for the reasons I have given the amendment is out of order.

Mr. Godin: Mr. Chairman, I should like to say a few words on clause 2. I was much impressed by the remarks of the hon. member for Essex East and the hon. member for Burnaby-Richmond who had something to say concerning the use of the simple word "appears" in the clause as proposed. I realize it is a word that is very common in our courts. The word "appears" is more or less similar to or has the same significance as "finding". I would agree, if the section dealt with the problem which pertained to a finding only which does not cover the appearance of a person.

I should like to make this distinction for the benefit of the minister and state that possibly he should rephrase it to make sure that the judge and jury, who are the court in this case and who would have to make this finding of fact, would have the knowledge that they did find this after hearing the evidence. If this fact is not reasonably established they can refer to the appearance of the accused because there is a difference between appearing to a court if the theft is over $100, which is determined without any relationship whatsoever to the appearance of the person accused of that theft.

I feel in a sense it is a different proposition to place in a statute "if it appears to the court that the person was under 18 when he committed the offence", which on many occasions would have to be determined by the physical appearance of the accused, which is not necessary if the theft is over $100. For that reason I think the statute could be made clearer. I do not say that no judge or no jury could construe the words "appears to the court" in the sense that the minister has indicated they oftentimes are construed. But it seems to me that certainly some effort should be made to make that distinction clearer in this case so that no one would make an argument based solely on the fact that if the person appears to be under 18, no matter whether the crown proves that he is 18.

What would be the interpretation of a jury if the man has a certificate, or the crown produces a birth certificate indicating that he is over 18 when he looks like a 14-year-old? Surely the lawyer is entitled to say that this boy appears, and appeared at the time of the commission of the offence, to be under 18. Why should you defeat that exemption by simply saying that he is 18? If a person is in fact proven to be 18 he can be sentenced to capital punishment and if he appears to be under 18 he should be exempt. I think this is most pertinent under the circumstances and I believe the minister should pay some attention to the remarks made by the two hon. members and not create a section wherein proof by the crown of the actual fact is excluded.

I should also like to make certain remarks concerning an accused whose mental capacity can reasonably be established to the satisfaction of the jury to be that of a person under the age of 18. It seems to me that guilt does not attach to a birth certificate—the

age of the accused—as much as it attaches to the capacity of the person who committed the crime. If we are going to exempt people under 18 from punishment by death, I feel that the minister should be able to find a way to exempt those people as to whom it has been reasonably established that their mental age is that of a person under the age of 18. In my view that is a better criterion of the guilt of the person who committed the crime of murder than a birth certificate is. A person with a birth certificate indicating an age of 17 might have the mental capacity of a person of 25 but he would be exempt from capital punishment whereas an accused 22 years old might have the mental capacity of a person of 12 or 14 but could not receive the exemption granted to the other accused. Therefore I think it is only fair that the minister should see fit to add after the provision respecting proof of age the words "or has the mental capacity of a person less than 18 years".

Mr. Fulton: Mr. Chairman, it seems to me that the hon. member has introduced an entirely new concept in that he wants the law to cover the mental age of the accused which, of course, may well be related to the question of his sanity or his mental competence. What we have in mind here is purely the physical age as it is made to appear to the court, and for the reasons I have summarized adequately, I believe, in reply to the hon. member for Essex East we are convinced after reflection that the words used with reference to the age appearing to the court are the proper words to use because we realize the possibility that there may not be a birth certificate. If there is a birth certificate, that is the best evidence of what the age is and it will then follow that his age is as established by the birth certificate, but since that may not be available the other evidence may become relevant and may be required and it is such evidence that makes it appear to the court what the age is.

Mr. Roberge: Mr. Chairman, my remarks at this time have to do with subsection 4 of the new section 206, which reads in part as follows:

> ...the sentence of imprisonment for life prescribed by this section is a minimum punishment.

According to my recollection and to the best of my knowledge there is nothing in the present code that prescribes imprisonment for life as a minimum punishment. The presiding judge has discretion whether to impose imprisonment for life or for a lesser term. I may not be correct in that assumption but I think I am. Would the minister advise us if he has considered whether this minimum punishment will be subject to revision either by the governor in council or by the national parole board?

Mr. Fulton: I did not quite hear the last part of my hon. friend's question.

Mr. Roberge: Will it be possible for the minimum sentence of life imprisonment under that section to be revised by the national parole board or by the governor in council as the case may be?

Mr. Fulton: The question the hon. member has asked seems to me to relate to the general question of the effect of a sentence of life imprisonment for murder or the commutation of a sentence of death to life imprisonment. The regulations of the parole board now provide that in the case of a sentence of life imprisonment there shall ordinarily be no parole before seven years have been served. Similarly, they provide that when a sentence of death is commuted to life imprisonment there shall ordinarily be no parole until ten years have actually been served. I want to make it clear that there are minimum periods. It does not mean there will be parole at the end of seven or ten years respectively.

Mr. Roberge: Are these periods of seven years and ten years provided in the parole board act or the regulations?

Mr. Fulton: At the moment they are in the regulations which are approved by the governor in council. As I was saying, this does not mean that parole is automatic at the end of seven or ten years respectively. Parliament has entrusted to the parole board, however, the determination of whether or when a man is qualified and fit to be paroled. The other point that it is important to bear in mind in this discussion is that when a man is paroled who has been serving a sentence of life imprisonment, whether imposed by the court or as the result of commutation of the death sentence, that is his sentence. His sentence is life and if he is paroled he is under the supervision of the parole board for the balance of the sentence.

Therefore the impression should not be allowed to go abroad that when paroled, perhaps after the end of seven or ten years only, these persons are not subject to supervision, that they are completely free and that they would be liable therefore to go off, and fall into bad habits again and revert to those circumstances which led to their first crime. They are under the supervision of the parole board. There has to be a nice balance in these cases because, since the object of parole as well as the object of other portions of our reform program is to rehabilitate, one must

be careful not to make the conditions of parole or supervision so obvious that in effect they prevent that person from ever becoming truly rehabilitated in society.

The parole board has this in mind and, of course, as a man makes progress and it becomes more and more obvious he is truly rehabilitated and re-established in society, then by progressive stages the degree of supervision is relaxed. The essential point is that there is authority in the Parole Act to supervise for the balance of the term, and here the term is life imprisonment. Again, as I have said, it should not be taken that because the regulations prescribe a minimum of seven or 10 years respectively, parole would be automatic at the end of this period. The record establishes that the average period served is appreciably longer than either of these two periods provided by the regulations before a man subject to life imprisonment is out on parole.

Mr. Drysdale: Can the minister clarify whether or not it is possible for a person sentenced to life imprisonment to be under parole for the rest of his natural life?

Mr. Fulton: Yes, this is a fact. Parliament in enacting the Parole Act two years ago approved of the principle that an independent parole board should determine whether and if or when a man is ready to be paroled.

Mr. Roberge: I agree completely with the minister in so far as the parole board is concerned. The parole board has the power to consider life termers and it may release them under certain conditions. However, the minister spoke of ordinary life termers. The point with which I am concerned here is that the bill before us specifies that imprisonment for life is to be a minimum punishment. Is there a difference between a minimum punishment of imprisonment for life and an ordinary term of imprisonment for life?

Mr. Fulton: The purpose of the provision in paragraph 4 relates to part XX of the Criminal Code. This is to ensure that a sentence of this kind, life imprisonment, cannot be changed to probation or a suspended sentence, and the sentence actually has to be served.

Mr. Roberge: If I understand correctly, then, the sentence has to be served fully and the parole board may not intervene?

Mr. Fulton: No, Mr. Chairman, this provision relates only to part XX of the code. Its application is only with respect to the provisions of part XX. A sentence of life imprisonment cannot be suspended, changed to probation or changed to a term of years. It is a sentence of life imprisonment but the Parole Act provides that anyone serving a term of imprisonment, and this is a term of imprisonment, may be released from the institution and serve the balance of his term outside the institution on the authority of the parole board.

Mr. Drysdale: Is there any conflict with section 656 of the code, which provides for the commutation of a sentence? The section reads:

> The governor in council may commute a sentence of death to imprisonment in the penitentiary for life, or for any term of years not less than two years, or to imprisonment in a prison other than a penitentiary for a period of less than two years.

Does the commutation provision override the life imprisonment provision?

Mr. Fulton: No, Mr. Chairman, because the only case in which the governor in council can commute is a sentence of death. This is a case where there has not been a sentence of life imprisonment imposed, but the sentence of the court is a sentence of death. Then, if the governor in council commutes it he may, as my hon. friend points out, commute it to any one of a number of different sentences. The universal practice, however, so far as I know is to commute it to a term of life imprisonment.

Certainly, now that we have a parole board it would always be the case that it would be made life imprisonment because then the parole board determines, in accordance with well worked out principles, where and when he is eligible for release from the institution so that he may serve the balance of his term outside under supervision.

Mr. Roberge: I have here the Parole Act of 1958, section 6, subsection (1), of which reads as follows:

> The board shall at the times prescribed by the regulations
>
> (a) review the case of every inmate serving a sentence of imprisonment of two years or more, whether or not an application has been made by or on behalf of the inmate,—

Now, if I am not mistaken, when this act was before this parliament, there was no such minimum sentence as imprisonment for life. Therefore this type of sentence we are now considering was not contemplated when section 6 of the Parole Act was enacted. It is for this reason I asked the minister the last question, and I am still not clear about his answer. It is true that the clause before us refers to part XX of the code in so far as it relates to imprisonment and deals with where the imprisonment will be carried out, either in a penitentiary or a common prison or part in one and part in the other. Right now, I do not see anything in sections 633, 634 or 635 of the code, apart from probation, that did exist before we enacted the Parole

Act. Right now, if a man is on probation under the Parole Act, it is, as a matter of fact, a ticket of leave and he is supervised by social workers.

May I call it 10.30, Mr. Chairman?

Progress reported.

BUSINESS OF THE HOUSE

Mr. Chevrier: On Saturday the house leader announced a long list of items of legislation but said nothing about the estimates for the rest of the week. I wonder if we might get some indication of what we will take up tomorrow and Wednesday, and also the departments which we will consider during the rest of the week?

Mr. Churchill: The intention is to carry on with legislation tomorrow, commencing with Bill No. C-92 on which fair progress has been made. The Minister of Justice has to leave sometime in the afternoon and perhaps before his departure the house would be able to complete consideration of Bill No. C-92. However, if we have not reached the other bill, No. C-97, to amend the Combines Investigation Act and Criminal Code, and the resolution dealing with the Exchequer Court Act, we will have to postpone those; but retaining the same order that I announced on Saturday, the fourth item will be Bill No. C-77 concerning the rehabilitation of agricultural lands, etc., the fifth item will be Bill No. C-93, an act to amend the Freight Rates Reduction Act, and as a sixth item we will have the bill which received first reading today, to amend the Food and Drugs Act.

Mr. Chevrier: May I at this point indicate to the house leader that the Minister of Transport will be engaged in the committee on the Canada Shipping Act tomorrow afternoon, where he was detained for the greater part of today. I do not know how he is going to be in that committee and deal with the Freight Rates Reduction Act as well.

Mr. Churchill: We may not reach the Freight Rates Reduction Act until the evening, after the supper hour.

The progress made tomorrow will determine what we do on Wednesday. I should like to hold open whether or not we continue with legislation. On Thursday, Friday and Saturday we will be dealing with estimates in this order, mines and technical surveys, Secretary of State, fisheries and public works.

At 10.35 p.m. the house adjourned, without question put, pursuant to special order.

HOUSE OF COMMONS

Tuesday, May 30, 1961

The house met at 11 a.m.

COAL

CAPE BRETON—ANNOUNCEMENT OF CONTINUATION OF SUBVENTION

Hon. Paul Comtois (Minister of Mines and Technical Surveys): Mr. Speaker, I should like to make a statement concerning the coal mining industry of Cape Breton. Hon. members will recall that during the past year arrangements were made between the governments of Nova Scotia and Canada on the one hand, and the Dominion Steel and Coal Corporation on the other, which successfully averted the closing of three Nova Scotia coal mines last winter. At that time it was agreed that to offset losses incurred by the corporation in maintaining these mines in operation, a special subvention of $1 per ton would be paid on coal shipped by the corporation to non-subvention areas from their mines in Nova Scotia between April 1, 1960 and May 31, 1961. The province participated in the cost of this subvention.

During the past year the markets for coal here and everywhere in the world have continued to shrink, and the annual productive capacity of the corporation's various mines is now substantially greater than the possible level of annual sales. In these circumstances, if the special subvention should be allowed to terminate on May 31 and no alternative assistance be provided, the corporation would be obliged to proceed with the scheduled closures this season and many coal miners in the Cape Breton area would be laid off in the space of less than three months.

The government has discussed this difficult situation further with the corporation, the labour union and the government of Nova Scotia in an endeavour to determine the extent of the problem and the steps that might be taken at this time to alleviate it. I am now able to announce that the subvention of $1 per ton, of which 80 cents will be provided by the federal government and 20 cents by the government of Nova Scotia, up to a total sum of $300,000 per annum, will be continued for the period from June 1, 1961 to August 1, 1962, on the express understanding that the Dominion Steel and Coal Corporation will provide satisfactory assurance to the governments that this assistance will be used to good advantage in maintaining as much employment as possible in the mines. Because of the shrinkage of markets the corporation will be obliged to reduce the number of miners on its payroll.

Authority for this continuing subvention is contained in order in council P.C. 1961/762 of May 25, 1961, and the required funds will be provided in the vote of the dominion coal board.

The government of Canada recognizes that subventions do not constitute a complete long term solution to the problem of employment in the Cape Breton area, and that other kinds of measures are also involved. Indeed, nationwide programs such as the vocational training assistance plan and the tax incentive arrangements included in the recent supplementary budget are already available for use in such areas.

The government considered, however, that as miners are displaced from employment with the corporation this season, other special steps should be taken at this time to assist in the provision of alternative employment. Parliament will therefore be asked to provide an amount of $1.5 million which will be set aside for approved projects to provide alternative employment this year in the Cape Breton area. Such projects will be considered on their individual merits, taking into account the degree of participation by the province in each case.

These two measures are being introduced to deal with the specific and immediate situation in the coal mining areas. The government of Canada is continuing to study the long term problems involved and the recommendations on the subject by the royal commission on coal, and further announcements will be made from time to time.

Mr. H. J. Robichaud (Gloucester): Mr. Speaker, I am sure that every hon. member as well as the people of the areas concerned will welcome the announcement made this morning by the Minister of Mines and Technical Surveys. However, as the minister indicated, this is an alternative assistance to prevent the immediate closure of the mines involved, and I am sure it will be regarded as just another one of this government's crisis decisions. The house and the country know very well that as early as 1958, at the time of the first major post-war shut-down, this government was warned of the dangers inherent in the situation. At that time we were ridiculed by the government, just as we are at this very moment by some of the members concerned.

Continuation of Coal Subvention

Mr. Speaker: Order. I think I should remind the hon. member for Gloucester that such a statement is made for the information of the house. It is a statement of a factual character on policy that has been adopted, and it is made by leave of the house for its information rather than having it made elsewhere. It is not made to initiate a debate. The practice of comment by a spokesman for each party has been accepted by the house and is well established, but such comment is not to be in the form of debate. As the hon. member was expressing opinions which are quite controversial, I thought I should warn him that it is not in accordance with our practice to debate the statement at this time. There will be ample opportunity to do so. Really all that is permitted is preliminary comment with a reservation of approval if that is the case.

Mr. Robichaud: On the point of order, Mr. Speaker, I was under the impression that as a member of the opposition I had the right to say that this alternative measure announced by the minister this morning will not meet the problems of the coal miners. It will only mean further delay. As we have suggested before in the house, what is really needed is a comprehensive program of scientific and industrial research to find additional uses for coal in order to help to maintain employment. This is certainly not included in the announcement made by the minister this morning.

We are also disappointed that in the announcement the minister did not take care of the situation in the Springhill area, where a number of miners have been out of work since 1958, notwithstanding the representations that have been made to the government in recent weeks by the town council of Springhill.

As I have said, Mr. Speaker, the measure announced by the minister will only provide temporary relief, and it does not meet the problems of the coal miners of Cape Breton.

Mr. Hazen Argue (Assiniboia): Mr. Speaker, the announcement made this morning is in large part a continuation of the situation that has existed for some time involving the payment of a subvention of $1 per ton. I was not able to understand clearly from the minister's statement whether the three coal mines scheduled to be shut down this summer will in fact be shut down or whether operations will be continued but with a very substantial reduction in the number of miners employed. I should like to have that point clarified.

As far as we are concerned, the government has not taken adequate action in this area, particularly because it is an area of very high unemployment where not long ago 18 per cent of the labour force were out of work. I think what is required here is a guaranteed income to the miners so that if they are displaced from their jobs they will have a substantial income to maintain themselves and their families. The $1.5 million for approved employment projects will be of great benefit, but I suggest that what is required is a comprehensive program to deal with the general unemployment situation in this area, and that by and large the announcement represents merely a continuation of the existing conditions.

[*Later:*]

On the orders of the day:

Mr. H. J. Robichaud (Gloucester): May I direct a question to the Minister of Mines and Technical Surveys. Can the minister assure the house that, as a result of the announcement he made this morning, the three mines in Cape Breton intended to be closed early this summer will now be kept open and the miners will be kept employed until August 1, 1962?

(Translation):

Hon. Paul Comtois (Minister of Mines and Technical Surveys): Mr. Speaker, in reply to the question of my hon. friend from Gloucester, whom I am glad to see back in his chair, I must say I have nothing to do with the decision as to whether such or such a mine will be closed down. The Dominion Coal Corporation is a private industry, and it is therefore the responsibility of its management to decide which mines will be closed.

I announced this morning that we were prepared to pay a dollar a ton for coal shipped outside the subvention area, with a contribution of 20 per cent on the part of the provincial government, up to a maximum of $300,000, but my authority does not go beyond that. It rests with the company to decide which of its mines is to be closed, and to act accordingly.

(Text):

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I have a supplementary question. May I ask the minister whether he can assure the house that any of these three mines will be kept open? The minister says he cannot assure the house that three will be kept open. Can he assure the house that any of these three mines will be kept open?

(Translation):

Mr. Comtois: Mr. Speaker, I think my reply was clear enough, and I note that the hon. member used his earphone to listen to the translation. Again I repeat—

(Text):

It is a matter for the company to decide. It is a managerial decision for the company.

DRUGS

PROVISION FOR CONTROL OF DISTRIBUTION AND SALE OF NARCOTICS

Hon. J. W. Monteith (Minister of National Health and Welfare) moved for leave to introduce Bill No. C-100, to provide for the control of narcotic drugs.

Mr. Martin (Essex East): Will the minister give an explanation?

Mr. Monteith (Perth): Mr. Speaker, this bill relating to the control of narcotics is in part based upon a measure which was intended to implement substantially the recommendations of the special committee of the Senate which investigated the drug traffic in Canada in 1955. That bill, introduced in the Senate in 1957, was given first reading in this house before parliament was dissolved.

The present measure, which to a very great extent reflects the subject matter and content of that bill has, however, been substantially revised in the light of further experience. In addition to the provisions which relate to the legal distribution of drugs, the establishment of penalties and effective sanctions for illicit traffic in drugs, the measure also contains a new and most important feature involving the treatment of drug addiction. The Minister of Justice on January 24 last explained to this house the federal proposals in this regard which are now set forth in the measure before us for consideration.

Motion agreed to and bill read the first time.

INDUSTRY

AUTOMOBILES—INQUIRY AS TO REPORT OF ROYAL COMMISSION

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I wonder whether the Prime Minister could inform the house when the report of the commission inquiring into the state of the automobile industry which was, I believe, submitted to the Prime Minister some weeks ago, will be tabled?

Mr. Diefenbaker: Mr. Speaker—

Some hon. Members: Hear, hear.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, I have never before heard such a reaction to a simple question. I can only say, "in due course".

Mr. Pearson: What was the answer?

Mr. Martin (Essex East): In due course.

Mr. Hellyer: In the sweet bye and bye.

90205-6—352

Inquiries of the Ministry

AGRICULTURAL IMPLEMENTS—REPRESENTATIONS BY AUTOMOBILE WORKERS UNION

On the orders of the day:

Hon. Paul Martin (Essex East): I should like to ask the Prime Minister whether he is in a position now to answer my question of Saturday last, when I asked if he would not reconsider his decision and that of the government not to see representatives of the united automobile workers who wish to make representations with respect to the agricultural implement industry.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, no further consideration has been given to that matter but I would feel that the representatives of the union in question might very profitably make their representations to the committee on agriculture, which I believe is dealing with the question.

Mr. Martin (Essex East): In view of the fact that the united automobile workers and the steel workers wish to make such representations with regard to certain phases of this situation, will the government not consider meeting the representatives of the united automobile workers in order to hear the further representations they wish to make in respect of matters not now being covered by the inquiry of the parliamentary committee into the farm implement industry?

Mr. Diefenbaker: I really do not know what these further representations might be. The hon. member has not chosen to acquaint me with what they might be, although he apparently is aware of them. I am sure that the committee on agriculture will be only too willing to expand its field of inquiry in order to meet the needs of this very representative labour group.

Mr. Martin (Essex East): I can only conclude, by way of a supplementary question, that the Prime Minister does not intend to see these workers.

Mr. Hazen Argue (Assiniboia): I should like to ask a supplementary question.

Mr. Diefenbaker: The hon. member for Essex East has not been very successful prophetically in the past two weeks.

Mr. Argue: Is the Prime Minister aware that the united automobile workers wished to present a brief that deals in part with the farm income picture, and that they were informed that the agriculture committee was not dealing with the farm income situation but rather with farm implements and therefore their brief would be out of order?

Inquiries of the Ministry

TRADE

WHEAT—INQUIRY AS TO NEGOTIATIONS FOR SALE TO POLAND

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I should like to direct a question to the Minister of Agriculture and inquire if the minister is in a position to give the house any information about a report in the press this morning to the effect that a Polish-Canadian wheat agreement is under negotiation at the present time.

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, I believe the hon. member for Assiniboia is slowly becoming aware that the government is endeavouring to sell some grain. All I can do at this time is confirm the newspaper story that negotiations are now in progress.

Mr. Argue: A supplementary question, Mr. Speaker. Can the minister say whether the delegation is going to Winnipeg within the next few days?

Mr. Hamilton (Qu'Appelle): Mr. Speaker, I have already indicated that negotiations are in progress. If anything does develop the hon. member will be informed in due course.

(Translation):

[*Later:*]

GRAIN—INQUIRY AS TO POSSIBLE SALE TO SPAIN

On the orders of the day:

Mr. Samuel Boulanger (Drummond-Arthabaska): Mr. Speaker, I should like to address another question to the Minister of Agriculture. Is he aware of the news report published in *La Presse* yesterday, to the effect that Spain is at present going through a severe drought which is reported to threaten her crops? Could the Minister of Agriculture inform the house whether he is considering the possibility of selling grain to that country?

(Text):

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, during the past year the Canadian wheat board has sent 11 missions abroad covering some 37 or 38 countries. Every week I get a report on the market and the agricultural situation in each of the countries of the world, and on that basis we try to figure where our next export drive will be. We are certainly on the ball all the time in this regard.

LIVESTOCK

BOVINE TUBERCULOSIS—ANNOUNCEMENT OF END OF CAMPAIGN

On the orders of the day:

Hon. Paul Martin (Essex East): Mr. Speaker, I wish to direct a question to the Minister of Agriculture based upon a Canadian Department of Agriculture release, undoubtedly prepared by the minister's new public information officer, which reads in part as follows:

Subject: Bovine t.b.

Ottawa, May 30, 1961—Canada's 38-year campaign against bovine tuberculosis will end Saturday when agriculture minister Alvin Hamilton, using a gold plated syringe, injects a black and white milk cow on a small farm in the Peace river district of Alberta.

My question, Mr. Speaker, is this. What is the cost of gold plating a syringe, and has the Minister of Agriculture consulted the Minister of Finance in connection with this gold plated syringe?

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, I know the whole country will be pleased and gratified that after nearly 40 years the long struggle of the scientists in the health of animals division of the Department of Agriculture has succeeded in virtually eliminating tuberculosis among Canadian cattle. To mark this very auspicious occasion I am being permitted to use a gold plated syringe to inoculate the last cow to receive injection. As I tenderly plunge the syringe into that cow I shall think of the hon. member for Essex East and reflect upon the fact that the cost of that syringe certainly would be less than the cost of a gold plated cow bell.

Mr. Martin (Essex East): May I ask a supplementary question. Will the minister give us the assurance that he will not shoot the bull?

Mr. Hamilton (Qu'Appelle): Mr. Speaker, as the hon. member knows from his long experience, a politician never has to shoot the bull. It is already there.

THE CENSUS

PENALTY FOR REFUSAL TO ANSWER QUESTIONS

On the orders of the day:

Hon. George H. Hees (Minister of Trade and Commerce): Mr. Speaker, yesterday the hon. member for Hull (Mr. Caron) asked the following question:

Is it an offence for a person to refuse to answer certain of the questions contained in the census forms and, if so, what would be the penalty for such a refusal?

In answer I will quote to him section 35 of chapter 257 of the Statistics Act, which deals with offences and penalties connected with the taking of the census. It reads as follows:

35. Every person who, without lawful excuse,
(a) refuses or neglects to answer, or wilfully answers falsely, any question requisite for obtaining any information sought in respect of the objects of this act or any regulation, or pertinent

thereto, that has been asked of him by any person employed in the execution of any duty under this act or any regulation; or

(b) refuses or neglects to furnish any information or to fill in to the best of his knowledge and belief any schedule or form that he has been required to fill in, and to return the same when and as required of him under this act or any regulation, or wilfully gives false information or practises any other deception thereunder;

is, for every such refusal or neglect, or false answer or deception, guilty of an offence and is liable, upon summary conviction, to a fine not exceeding one hundred dollars, or to imprisonment for a term not exceeding three months, or to both fine and imprisonment.

TRANS-CANADA AIR LINES

REQUEST FOR REPORT ON LABOUR DISPUTE

On the orders of the day:

Hon. Lionel Chevrier (Laurier): Mr. Speaker, may I direct a question to the Minister of Labour and ask him whether he has anything to report on the dispute between the crown corporation Trans-Canada Air Lines and the Canadian air lines flight attendants association?

Hon. Michael Starr (Minister of Labour): Mr. Speaker, I have not received any report on what has transpired up to this moment except what I have read in the newspaper this morning.

Mr. Chevrier: May I ask a supplementary question. Has the minister given any consideration to the question which was asked yesterday by the hon. member for Essex East concerning the action of the crown corporation, and as to whether it was in violation of section 4 of the Industrial Relations and Disputes Investigation Act?

Mr. Starr: We have replied to the telegram which we received yesterday. We sent a telegram to Mr. Robert R. Smeal, business manager of the Canadian air lines flight attendants association at Vancouver acknowledging receipt of his telegram and informing him that I had asked T.C.A. for a statement of its position in the matter. I pointed out that he had not provided a copy of the instructions to which he objects and that the department was thus not in a position to comment, but that the prohibitions in section 4 of the industrial relations act appear to relate primarily to unfair labour practices directed against trade union membership or activity.

We also dispatched a telegram to Mr. G. E. Bolton, director of personnel for Trans-Canada Air Lines, informing him that we had received this telegram, which we quoted. We asked him whether he would let us have a copy of the instructions referred to together with a statement of the company's position in the matter. To date we have not received a reply.

Hon. Paul Martin (Essex East): Would the minister not agree that a copy of the instructions was sent to his colleague the Minister of Transport, and that they could easily be made available to the Minister of Labour? In view of the importance of this question, will he not advise the head of the employees association at once?

Mr. Starr: I do not know how the hon. member for Essex East has this information—

Mr. Martin (Essex East): I am awake, that is why.

Mr. Starr: We have not got these instructions, and I am informed by my colleague that he has not got them either, so the hon. gentleman is wrong again.

Mr. Martin (Essex East): They were sent by Mr. Smeal.

HOUSING

INQUIRY AS TO REDUCTION IN INTEREST RATES

On the orders of the day:

Mr. J. R. Garland (Nipissing): I wish to address a question to the Minister of Finance based on a statement reported by the *Globe and Mail* to have been made in Halifax last night by Mr. S. L. Buckwold, president of the Canadian federation of mayors and municipalities, that the cost of borrowing money and mounting debts are causing municipal governments to shelve essential public works programs. Can the minister say whether the government proposes any action to correct this situation?

Hon. Donald M. Fleming (Minister of Finance): I have not seen the news article in question nor the statement attributed to this gentleman, but I think it is by now a matter of knowledge on the part of hon. members that the various chartered banks of the country are reducing the prime rate of interest on loans as of June 1 to 5½ per cent. This will apply generally to bank loans with the exception of term loans and, I believe, loans to finance companies.

The government welcomes this decision on the part of the various chartered banks and expects that this reduction in the prime bank rate will have its effect on interest rates throughout the country.

Mr. Garland: While we are, of course, glad to see this reduction even though it is only one-quarter of one per cent, I wonder if the minister could say, in view of the reluctance of the Minister of Public Works to comment on this matter, when the N.H.A. interest rates may be reduced.

Inquiries of the Ministry

Mr. Fleming (Eglinton): The hon. gentleman has amused himself by his constant repetition of the same question at intervals, I think, of about every 48 hours throughout the entire session. He must be aware of the factors which govern interest rates in relation to loans under the National Housing Act. He has constantly mixed up interest rates of all kinds as if they were the same thing. Interest rates depend on the nature of the loan, the length of the loan and matters of that kind. I say the hon. member has been mixing these things up constantly in the questions he has asked.

FINANCE

BANK OF CANADA—REPORTED RESIGNATION OF BOARD MEMBER

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): I should like to ask the Minister of Finance if he would comment on a report that Mr. J. T. Bryden has submitted his resignation as a member of the board of governors of the Bank of Canada and as a member of the executive committee of the board.

Hon. Donald M. Fleming (Minister of Finance): Oh, yes; Mr. Bryden resigned from the executive committee of the board and from the board of the Bank of Canada a month or six weeks ago. He had taken on additional responsibilities in various fields, and on advice that he was carrying a very heavy load he asked that his resignation from the board of governors be accepted.

I may say that Mr. Bryden served a term of three years on the board of directors of the Bank of Canada, of which he has been an active member, and I wrote him at the time his resignation was tendered to express my regret and the regret of the government that he had felt it necessary to retire by reason of the very heavy burdens he was carrying. Last week he was elected president of the Canadian life insurance officers association.

Mr. Pearson: That is not the only reason.

Mr. Chevrier: Were regrets expressed from the other side?

Mr. Fleming (Eglinton): I heard a comment in an undertone from the Leader of the Opposition who said, I think, "That is not the reason". Mr. Speaker, if I correctly heard the hon. gentleman his statement is untrue. The statement I made gives the reason and the entire reason for his resignation.

Mr. Chevrier: I rise on a question of privilege. I am the one who interrupted the minister, and I said "Were regrets expressed from the other side in the same manner as the minister expressed them"?

An hon. Member: No.

Mr. Fleming (Eglinton): I heard the hon. member for Laurier make his irrelevant comment and I also heard, I am quite certain, the comment by the Leader of the Opposition on which I have made, I think, a suitable observation.

Mr. Pearson: May I ask the minister if he will give the house an assurance that the reason he has indicated for this resignation is the only reason given?

Mr. Fleming (Eglinton): Yes, I do give that assurance, and I repel the suggestion made by the Leader of the Opposition which, I think, is unworthy of any hon. member.

BUSINESS OF THE HOUSE

BANK OF CANADA—CONSIDERATION OF REPORT BY COMMITTEE

On the orders of the day:

Hon. Paul Martin (Essex East): May I ask the distinguished member for York North if he is now in a position to advise the house when the banking and commerce committee will meet to hear a report from the governor of the Bank of Canada?

Mr. C. A. Cathers (York North): As usual the hon. member for Essex East is out of order. Your Honour ruled this question out of order when he asked it in the first place and, as usual, the hon. member is out of order in asking me the same question today. I do not want to contribute to wasting the time of this house by being a party to this—

Mr. Speaker: I understand that the last time the question was asked the hon. member for York North took it as notice.

Mr. Cathers: In the first place, the hon. member for Essex East was out of order in asking that question. If Your Honour will check the question you will find there was no urgency about it, and no issue of national importance involved.

Mr. Hellyer: Half a million Canadians think it is important.

Mr. Speaker: I am not aware that such a question has been ruled out of order. I know such questions have been asked of chairmen of committees as questions relating to the business of the house. I know they have been asked; whether or not it is in accordance with our practice I should not like to declare off the cuff. However, I am not prepared to say

that the question is out of order. Both hon. members might give some thought to it and I will deal with it if the question is asked again.

Mr. Martin (Essex East): May I direct a supplementary question to the distinguished member for York North, chairman of the banking and commerce committee. In view of the fact that he is obviously not in a position now to reply to my question, will he consult with the Minister of Finance and give me an answer tomorrow?

NATIONAL DEFENCE

NEWFOUNDLAND—REPORTED SIGHTING OF UNIDENTIFIED SUBMARINE

On the orders of the day:

Hon. D. S. Harkness (Minister of National Defence): Yesterday the hon. member for Burin-Burgeo asked for information regarding the reported sighting of a submarine off the coast of Newfoundland.

The R.C.M.P. did receive information from a local fisherman in the Burgeo area that he had sighted a submarine south of Burgeo at 9.30 a.m. local time on May 24. The Royal Canadian Navy was notified and started an investigation of the report. It might be added that such reports are frequently received. We are very glad to get them, and steps are taken in each case to verify the accuracy of the information given. In nearly all cases the reported sightings are outside the territorial waters of Canada.

I should like to refer the hon. member to a similar question and the answer given by my predecessor on June 18, 1959, as reported at page 4863 of *Hansard* of that date. The effect of that answer is that it is not considered to be in the public interest to give any verification as to whether there actually was a submarine, or what kind it was, and so on.

EXTERNAL AFFAIRS

PUGWASH CONFERENCES—REPORT BY U.S. SENATE SUBCOMMITTEE

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs, and I apologize for giving him such short notice.

My question arises from a press dispatch to the effect that the United States Senate internal security subcommittee has been investigating the series of international scientific conferences which Mr. Cyrus Eaton has held at his home in Pugwash, Nova Scotia, over the years, and has published a report condemning them as undermining United States security. I wonder whether the minister would care to comment on the propriety of a foreign government investigating meetings of distinguished Canadian and international scientists which have taken place on Canadian soil.

Mr. Speaker: Order. Before the minister answers the question I should indicate that I question its propriety. It seems to me to relate to a matter which is not an administrative responsibility of the Secretary of State for External Affairs.

LAOS—REPORTED DIFFERENCES BETWEEN CO-CHAIRMEN OF GENEVA CONFERENCE

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Would the Secretary of State for External Affairs care to comment on the differences that have appeared to develop between the co-chairmen of the conference at Geneva in respect of the operation of the cease fire in Laos and the work of the international commission there?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, as hon. members are aware, difficulties have arisen at the Geneva conference on Laos over questions related to the effectiveness of the cease fire in that country.

The position of the Canadian government in this matter is clear. We are doing our utmost to ensure that the commission has both the authority and the means to carry out its task of supervision and control. We are in favour of the commission investigating any serious violation or threat of violation of the cease fire.

To do this the commission must have two things. First, it must have the co-operation of the parties in Laos. Recent reports indicate agreement by the parties there to the establishment of a joint military committee to work with the international commission. We hope this will help to remove some of the difficulties which have existed so far. Second, the commission must have helicopters, airplanes and other physical facilities. It reported its logistical requirements to the co-chairmen on May 22. We hope that the earliest possible agreement will be reached among the governments principally concerned on supplying at least the most urgent of these requirements.

I might add that newspaper speculation that the Geneva conference is on the verge of collapse is in my view not warranted by any major change in the situation either in Laos or at Geneva. There has been some difference of opinion as to what topic would be discussed next, and I understand that the meeting called for yesterday did not take

place. It may be that there will be an adjournment until after President Kennedy and Premier Khrushchev have met at the end of this week, but there is no suggestion that the conference will break up. As a matter of fact, I hope to be back there myself late next week.

Mr. Pearson: Has the Canadian government made any offer of air transportation, including helicopters, for the use of this commission of which Canada is a member?

Mr. Green: At the present time the position is that owing to our initiative at the conference the co-chairmen sent a wire to the chairman of the international commission asking him to outline the requirements in the way of equipment that were needed by the commission. The reply to that wire was received a few days ago, but the co-chairmen have not yet acted on the wire. We are making representations in the meantime, and Canada will certainly be prepared to do her part. We think it is essential that the commission should have adequate equipment.

CUBA—REPORTED OFFER OF CANADA TO ACT AS REFEREE

On the orders of the day:

Mr. L. D. Crestohl (Cartier): I should like to address a question to the Secretary of State for External Affairs. Can the minister inform the house whether the government has recently offered its good offices as a mediator with regard to some of the problems existing between Cuba and the United States?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, I am just wondering where the hon. member has been for the last two or three weeks.

CANADIAN NATIONAL RAILWAYS

MONCTON—REQUEST FOR POSTPONEMENT OF LAY-OFFS

On the orders of the day:

Mr. W. L. M. Creaghan (Westmorland): Mr. Speaker, I wish to direct a further question to the Minister of Transport concerning C.N.R. employment in the Moncton shops. Notwithstanding my question of May 25 and the minister's reply of May 26 concerning the curtailment of repairs to heavy passenger car equipment at Moncton, I am now advised that 14 employees have already received lay-off notices effective Friday, June 2. As a result of this unpopular management decision I have received telegrams of protest from the mayors of Moncton and Shediac and, without any exaggeration, hundreds of messages from C.N.R. employees.

[Mr. Green.]

Tomorrow seven union officials from the Moncton area will be visiting Ottawa to meet members of parliament to protest these lay-offs, which have created great public resentment in New Brunswick. In view of this proposed visit tomorrow, I wonder whether the minister could now instruct the Canadian National Railways management to postpone these lay-offs in order that the directors of the company, and other individuals interested in the matter, might review this policy decision.

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, when the hon. member raised this question on May 25 I immediately contacted the management of the Canadian National Railways and was supplied with a very complete answer in respect of the circumstances. I read that answer in the house on May 26. I can assure the hon. member, however, that management, before taking such a decision, of course investigates all the avenues and possibilities of keeping these jobs open for the employees.

As the hon. member and other hon. members of this house know, this is a matter for management, and not a matter for the Minister of Transport in respect of which he instructs management. I will certainly bring these new representations to the attention of management. However, in the meantime I should remind the hon. gentleman that a committee of employees is meeting with the management of the C.N.R. to discuss the present situation, in an attempt to find some way of alleviating the very unfortunate effect of these lay-offs.

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to ask the minister, in view of matters such as this, when the C.N.R. management is going to appear before the House of Commons sessional committee on railways, air lines and shipping.

Mr. Speaker: Order. I think the hon. member should raise that matter with the committee.

Mr. Fisher: Mr. Speaker, the committee has not met as yet. I understand the minister has given several undertakings to announce when the C.N.R. management will be available, and he is the liaison which exists between the management of the C.N.R. and the committee, not the committee itself.

Mr. Balcer: Mr. Speaker, it is up to the committee to decide when it is going to hold its meetings.

Mr. Chevrier: May I ask—

Mr. Speaker: Order. I recognize the hon. member for Middlesex West.

Mr. Chevrier: Mr. Speaker, I should like to ask a supplementary question.

Mr. Speaker: Order. Would the hon. member defer his supplementary question? The hon. member for Middlesex West has been trying to ask a question for some time.

[*Later:*]

Hon. Lionel Chevrier (Laurier): Mr. Speaker, I should like to ask a supplementary question of the Minister of Transport. Has it not been the practice in the past for the minister to give some indication to the house in respect of when this committee is likely to meet?

Mr. Fisher: Absolutely.

Mr. Balcer: Mr. Speaker, this is strictly a matter for committee decision. The Minister of Transport acts as liaison with the presidents of Canadian National Railways and Trans-Canada Air Lines. I can assure hon. members that as soon as that committee meets, both presidents will be available.

Mr. Chevrier: Could the minister find out from the presidents when they will be available, and indicate to the house when the committee is likely to meet?

AGRICULTURE

SOYBEANS—INQUIRY AS TO SUPPORT PRICE

On the orders of the day:

Mr. W. H. A. Thomas (Middlesex West): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. In view of the fact that farmers in southwestern Ontario are now planting both corn and soybeans, and in some cases it may be necessary for them to reach a decision as to which they should plant, could the minister expedite as much as possible the announcement of government policy concerning a support price for soybeans in respect of the 1961 crop?

Mr. Martin (Essex East): I asked that question two weeks ago.

Hon. Alvin Hamilton (Minister of Agriculture): Yes, Mr. Speaker.

Hon. Paul Martin (Essex East): Mr. Speaker, I should like to ask a supplementary question. In view of the fact that I asked that question two weeks ago, could the minister now indicate when there will be a reply, and also tell us when the government will be in a position to fix a price in respect of Ontario grown wheat?

Mr. Hamilton (Qu'Appelle): No, Mr. Speaker.

Mr. Martin (Essex East): Time is going by.

(Translation):

OATS—WHEAT BOARD PRICES FOR FUTURE DELIVERY

On the orders of the day:

Mr. Samuel Boulanger (Drummond-Arthabaska): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. I regret not to have given him notice of it. However, if he cannot answer it today, he may do so later.

Since May 23, 1961, the Canadian wheat board has been refusing to sell oats to be delivered in July. It offers some to be delivered in October only, at 80½ cents a bushel, as against an initial price of 60 cents.

Since there are 15 million bushels of oats in the Fort William and rural elevators, in addition to 50 million in the hands of western farmers, why does the Canadian wheat board not authorize delivery of part of that oats in July?

(Text):

Mr. Speaker: Order. The hon. member seems to have several questions all of which might properly go on the order paper, although if there has been a recent change of policy perhaps the minister would like to reply.

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, the Minister of Agriculture is frequently having to combat rumours from various sources about the actions of the Canadian wheat board. Usually these rumours are based on the hopes and wishes of people who are not friends of the producers of western Canada. I will be glad to take the hon. member's question as notice, get the facts and put him straight again.

(Translation):

Mr. Boulanger: A supplementary question, Mr. Speaker. First of all, I must inform the minister that we sympathize with western farmers and, if we ask this question, it is in order to allow—

(Text):

Mr. Speaker: Order, order—

(Translation):

Mr. Boulanger: —western farmers to sell—

(Text):

Mr. Speaker: Order.

(Translation):

Mr. Boulanger: —in eastern Canada, because at present we are unable to get supplies, whereas western farmers have too much grain—

(Text):

Mr. Speaker: Order. The hon. member seems anxious for a debate rather than information.

Inquiries of the Ministry

PULPWOOD—REGULATION OF TRADE BY QUEBEC CO-OPERATIVES

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to ask the Minister of Agriculture a question, notice of which I have sent him. It relates to the very recent action under the federal agricultural marketing act giving the right to Quebec forest products marketing co-operatives to regulate interprovincial and extraterritorial trade in pulpwood. I should like to ask the minister what relationship these new powers of the co-operatives given by his department have to any policy of improving the price to producers of farm cut pulpwood in eastern Canada.

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, in the past two or three years a number of producer marketing boards have been established in the province of Quebec under the Quebec agricultural marketing act with respect to the marketing of pulpwood. In so far as the province of Ontario is concerned, I understand that pulpwood is not included as an agricultural product in its farm products marketing act.

The authority granted by the federal government under the Agricultural Products Marketing Act in the three orders in council referred to in the question which the hon. member sent me are among a total of 12 such orders provided to allow provincial marketing boards in the province of Quebec to regulate and control the marketing of pulpwood in interprovincial and export trade in a manner similar to the control they have within the province. As with other provincial marketing boards throughout Canada, it is expected that such extension of powers in interprovincial and export trade will enable these boards to exercise better control of their commodity in the general interests of the producers.

Mr. Fisher: Could I ask the minister whether this trend has any relationship to the original idea of providing a floor price for pulpwood, that was advanced some time ago by certain members of the government?

Mr. Hamilton (Qu'Appelle): One of the ways in which producers can increase their income is by organizing themselves into producer boards on a democratic basis. This gives them the right to ask the provincial government and, so far as interprovincial trade is concerned, the federal government to give them the power to set their prices, and in this way they would in effect set their own floors.

[Mr. Speaker.]

(Translation):

PUBLIC WORKS

MONTREAL—USE OF ENGLISH LANGUAGE BY DEPARTMENTAL STAFF

On the orders of the day:

Mr. Rodrigue Bourdages (Laval): Mr. Speaker, I should like to direct a question to the Minister of Public Works.

Could the minister indicate to the house whether the English language is imposed as the official language of communication between employees of his department at the Delorimier street office in Montreal, and whether instructions to that effect have been issued by the new head of that office, Mr. G. R. Aubut, as reported in a story published in *La Presse* on May 25?

(Text):

Hon. D. J. Walker (Minister of Public Works): Mr. Speaker, I did read the article, and can say there is no foundation at all to the report that Mr. Aubut, a distinguished French Canadian, now head of the Montreal office of the Department of Public Works, is converting that office to the use of the English language. Such a suggestion is preposterous. In fact there is no change at all in the policies and practices now being followed from those policies that were followed when the former officers in charge of that office, Mr. Grenier and Mr. Gagnon, were there.

In this respect the department follows a very strict policy of providing French answers to letters received in French. There is no difficulty involved in this regard, Mr. Speaker, when one considers that of the 74 employees in the Montreal office, 70 are French Canadian, and very good employees. There is no ban nor even any restrictions on communications in French within the office, written, oral or otherwise. French is often used by headquarters officials in communications to the district, and a number of the senior officers of the department at headquarters in Ottawa are in fact French speaking. These include the departmental secretary, the chief engineer, harbours and rivers branch, and the executive assistant to the deputy minister, as well as my own parliamentary secretary.

The report concerning a lecture by an English speaking official of the dominion fire commissioners' branch was correct in some respects, but sufficiently incomplete as to give an entirely wrong impression. A specialist on fire prevention in government buildings did go to Montreal to speak to representatives of all government departments there, including the fire wardens of all government buildings in the area. The office of the dominion fire commissioner does not have a large staff, but its French speaking personnel includes an engineer who is completely bilingual. Unfortunately he was not available

for this mission. Furthermore, the official who was sent was a specialist in this particular aspect of fire prevention. Before the lecture started the group were asked if they wanted the talk translated as it went along, and there was a unanimous response that they were satisfied to have the talk in English.

Mr. Martin (Essex East): It sounds like the speech the minister made in Brockville.

Mr. Walker: I mentioned the words "pompous Paul" when I was in Brockville, and I should like to mention them again.

Mr. Martin (Essex East): That is why you lost the election.

Mr. Walker: They were then told that if there was any point they did not understand they should raise their hands and a translation would be provided. I understand that at the end of the talk the meeting was unanimous in the feeling that the subject matter had been helpful and the lecture had been fully understood.

Mr. Denis: Is the minister aware that the Mr. Aubut is really Mr. Allbut? He does not want to be called Allbut at all; it is Aubut, and he does not speak French.

Mr. Walker: In reply to that I can say that the hon. member for St. Denis should be called "all but."

(Translation):

[*Later:*]

On the orders of the day:

Hon. Pierre Sevigny (Associate Minister of National Defence): Mr. Speaker, I rise on a point of order at this stage, after vainly trying to do so immediately after the hon. member for St. Denis (Mr. Denis) completed his remarks.

I must inform the house that Mr. Aubut, the present director of federal buildings in Montreal, is a personal friend of mine, a resident of my constituency, and I would point out that he is perfectly bilingual.

(Text):

UNITED NATIONS

ANGOLA—REQUEST FOR REPORT ON CURRENT SITUATION

On the orders of the day:

Mr. Hazen Argue (Assiniboia): I should like to address a question to the Secretary of State for External Affairs. Can the minister give any report to the house on conditions in Angola? Has he any comment to make on the deteriorated situation in that country? Can the minister make some comment on the very large number of refugees who are leaving Angola for the Congo, and has Canada made any offer of food to prevent starvation there?

Mr. Speaker: The minister can say whether he regards this matter as his responsibility. The hon. member for Assiniboia seems to be roaming around the world in territory which is not under the jurisdiction of the government of Canada.

Mr. Argue: On a point of order, first we have a Secretary of State for External Affairs. Then, Canada has a policy with regard to the very serious situations now existing in various parts of the world, and it is very much in order to ask the minister to comment on the serious situations in parts of the world which are a threat to world peace. No one has suggested that the minister for external affairs himself can remove those situations, but Canada has a policy and the minister has always been most co-operative in answering such questions.

Mr. Speaker: I leave it to the minister. As far as I am concerned the question is not one of the administrative responsibility of our Department of External Affairs. It would be in order to ask whether a policy had been developed and whether the government was implementing a policy with respect to some matter beyond the jurisdiction of our own government, but I think it would open the door to questions which were quite irrelevant to ask for opinions on questions which are not matters of administrative responsibility.

Mr. Argue: Mr. Speaker, if that ruling were rigidly enforced there would be no questions asked about external affairs. However, I should like to rephrase my question. Have any representations been made to the Canadian government about the refugee problem in the Congo? Has any request or any offer been made with respect to the provision of food to prevent starvation?

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, we are of course greatly concerned over the situation in Angola. Yesterday I received a delegation including representatives of the department of overseas missions of the Canadian Council of Churches, the Canadian Baptist foreign mission board, and the executive of the general council and the board of overseas missions of the United Church of Canada.

They wished to inform me of their concern about the present situation in Angola, and I should like to say how deeply impressed I was by their presentation and by their dedication to the work which Canadian missionaries have carried on for about 80 years,

and their distress at the violence in the territory. I informed them that Canada supported the recent resolution adopted by the general assembly which set up a committee to inquire into the situation in Angola because we considered that the resolution offerred a moderate and helpful approach to a complicated subject. I also told them I hoped that the committee would be able to make recommendations which would ease the situation.

The members of this committee have been named within the last few days. They are Finland, Dahomey, Sudan, Bolivia and Malaya. I informed the missionaries that we deeply sympathized with their concern over the future of Africans in Angola, and that we were as concerned about the observance of human rights and dignities in Angola as in other parts of the world. I also informed them of our willingness to consider ways in which we might usefully give help and advice in the interests and general welfare of the people of Angola.

We have had no request to help refugees as yet.

CANADIAN BROADCASTING CORPORATION

REPORTED OFFER OF EMPLOYMENT TO JEAN-LOUIS GAGNON

On the orders of the day:

Mr. Maurice Johnson (Chambly-Rouville): Mr. Speaker, I had a question for the Minister of National Revenue, but in his absence I should like to direct it to the acting minister.

(Translation):

Would the minister inform the house whether there is ground to the rumour that after he had resigned, Mr. Jean-Louis Gagnon, formerly city editor at the newspaper *La Presse,* in Montreal, was offered a job with the C.B.C.?

(Text):

Mr. Speaker: Order. I suggest that the hon. member put his question on the order paper in the absence of the minister.

CRIMINAL CODE

REVISION OF PROVISIONS RESPECTING DEATH PENALTY

The house resumed, from Monday, May 29, consideration in committee of Bill No. C-92, to amend the Criminal Code (capital murder) —Mr. Fulton—Mr. Flynn in the chair.

On clause 2—*Punishment for capital murder.*

Mr. Deschatelets: I understood the minister was preparing an amendment to clause 1. I wonder if he is ready to put his amendment now.

[Mr. Green.]

Mr. Fulton: Not at this precise moment. I thought perhaps we could carry on with one or two of the other clauses and then, at a convenient moment, revert to clause 1. I will have the amendment here shortly.

(Translation):

Mr. Deschatelets: On clause 2, Mr. Chairman, I must say that even if I voted against the principle of the bill on second reading, I am very receptive to any reasonable reform.

My mind is not set for or against the abolition of capital punishment. I am in favour of realistic reforms of the penal law concerning the death penalty and I sincerely believe that Bill C-92 is a mere compromise which after all, will lead to results which I do not want.

Mr. Chairman, I believe that the greatest threat to our society comes first from organized crime. It is, therefore, against that threat that we must not show any weakness. We must see to it that we are efficiently protected against it through this bill.

In the course of my remarks when the bill was introduced, I said that we should break new grounds and liken the case of women to that of a young man under 18. Indeed if this bill provides that any young man under 18 must be exempted from capital murder, and consequently exempted from the death penalty, I fail to see why we should not, following the same line, do the same in the case of women.

I wish to state here very briefly that we cannot liken the case of women to that of the adult male as far as the death penalty is concerned.

Here is the basis of my argument. I have here the report of the joint committee of the Senate and the House of Commons, and I wish to refer you, Mr. Chairman, to section 1,008:

(Text):

Mr. Fulton: May I raise a point of order, Mr. Chairman. I understand the hon. member is now suggesting the bill should provide that women would not be liable to capital punishment. It seems to me this is not relevant to the clause under discussion. I do not know whether it would have been possible, but I do suggest that the only time it might have been possible to make such a suggestion would have been on second reading, when the bill as a whole was being discussed. I am not saying the subject would have been relevant then and it might have been a matter requiring a ruling, but it seems to me the only time this kind of a suggestion might be in order would be during the debate on second reading.

We have concluded the general discussion which is allowed on clause 1 and we are now dealing with the clauses of the bill, at which

time discussion must be strictly relevant to the clause itself. I suggest, therefore, that my hon. friend has not chosen the right time and is not in order in introducing this subject at this stage. I do suggest that, having completed the debate on second reading and the normally wide ranging discussion on the first clause, we should now confine ourselves to a discussion of the clauses of the bill; otherwise any hon. member would be free to introduce any idea he might have with regard to this subject generally. The time for that type of debate is over. I think, in the interests of preserving order, I should make this submission that it is not in order to discuss the question of exempting women from capital punishment.

Mr. Deschatelets: With all due respect to the minister I feel that the position he is taking now is ridiculous. The minister is suggesting that I should have introduced this amendment on second reading. He should know quite well that we were discussing the principle of the bill at that stage, and we are now dealing with clause 2. Clause 2 provides an exception to the general rule in so far as a minor of 18 or under is concerned.

I have an amendment ready, and I am going to lay the foundation for my amendment. I am going to send you a copy of my amendment, Mr. Chairman, as well as the minister. I shall be ready in due time to meet the arguments of the minister. I suggest I am quite in order in presenting a case for the exemption of women from capital punishment at a time when an exemption is already provided in clause 2. I shall be very brief.

(Translation):

I was about to read this:

When a death sentence is pronounced against a woman, she may ask that her execution be delayed on the ground that she is with child.

This simple fact shows that the case of a woman is obviously not the same as that of a man, and that, with regard to capital punishment, we should approach the situation from different angles.

On Thursday, March 4, 1954, during an investigation by the joint committee of the Senate and of the House of Commons on capital punishment, the following questions were asked:

According to you, would it be appropriate to impose the death penalty for women?

Have you any general remarks to make with regard to imposing capital punishment for juveniles and women?

That shows that the issue existed at the time of the investigation, and that it was a matter for concern to committee members who gave the question very special consideration.

This is what the then minister of justice, Hon. Mr. Garson, had to say on the subject during the sitting of May 11, 1954:

Hon. Mr. Garson: Well, the question of the commutation of the death penalty imposed upon a woman is one which we judge, I think it is fair to say, with more leniency that we would in the case of a man. I think it is also correct to say that in most cases the moral culpability of the crime of murder as committed by a woman as a rule is less than that of a man, speaking generally.

Now, Mr. Chairman, for the last decade or so, there have been, as far as the province of Quebec is concerned, only two cases of women being executed, and in each of these cases, if I remember well, those women were only accessory to the crime, and not the main perpetrators.

Mr. Chairman, I submit that we should be realistic. Woman does not constitute the prime menace, and in her case I do not see why imprisonment for life, which is the sentence for non-capital murder, should not be provided as for a young man of under 18.

I said earlier that I proposed to submit an amendment to that section. I trust I will have the support of the hon. member for Scarborough (Mr. McGee).

Under the circumstances, Mr. Chairman, I move that subsection 3 of section 2 of Bill No. C-92 be amended by adding, at line 9, after the words:

3. Notwithstanding subsection (1),—

The following words:

A female person or—

(Text):

Mr. Fulton: Mr. Chairman, you have permitted discussion on the matter so, notwithstanding the fact that in my view it is out of order, perhaps it would be quicker to dispose of the matter on its merits than to press the point of order.

Mr. Martin (Essex East): That is right.

Mr. Fulton: In that connection may I say this, and I shall be quite brief. We considered this matter carefully and were unable to accept the suggestion that has been made from time to time that there should be a provision that women be not liable to capital punishment. In this connection I would point out that it seems to me that when you are making the basic distinction between capital murder and non-capital murder on the basis of the element of deliberation, if such a crime were committed by a woman the capital penalty should be exigible against her just as it is in the case of the same crime committed by a man. Furthermore, the joint parliamentary committee that considered this matter also studied it very carefully and one of their recommendations, as found at page 23 of their report is this: No special provision for women.

I know we have not accepted all the recommendations of the committee, so I am not saying that one is absolutely conclusive of any argument by any means. I am merely pointing out that our view in this case was shared by the parliamentary committee or that, if you like to put it in that way, in this case we share the view of the parliamentary committee that considered this whole matter for two years. I therefore am unable to accede to my hon. friend's suggestion with regard to this amendment.

The Chairman: I understand that the minister does not object to the amendment being put. If there is no objection I will put the amendment.

Mr. Argue: After you have put the amendment you will then hear some representations?

The Chairman: Yes. Shall the amendment carry?

Mr. Fisher: I just want to say that we shall support the amendment. Even though it may seem unnecessarily to favour one group, it is in the direction of total abolition which we support.

Mr. Drysdale: It is contrary to socialism.

The Chairman: Is the committee ready for the question?

Some hon. Members: Question.

The Chairman: All those in favour of the amendment will please rise. All those opposed to the amendment will please rise.

And the Clerk Assistant proceeding to announce the result of the vote:

Mr. Pallett: Before the vote is recorded, Mr. Chairman, may I raise this point of order. There was an hon. member sitting in his place here today when the vote was called and he has not indicated whether he votes for or against the amendment. I think there is no provision for abstention from voting. I believe there is an obligation on the hon. member to indicate his vote.

An hon. Member: Who is the member?

Mr. Pallett: I would appreciate it, Mr. Chairman, if the hon. member for Essex East would indicate his vote.

Mr. Argue: Before you deal with the point of order, Mr. Chairman, may I say this. I also noticed that the hon. member for Essex East did not vote. I thought a man with such strong convictions and opinions on every subject would vote. Speaking on the point of order, may I say that I think it is his right, although I doubt the wisdom of it, to remain in his seat if he so wishes, and that he is not required to vote.

Mr. Martin (Essex East): Mr. Chairman, since I have been so forcefully identified from right and left—

Mr. Argue: Left and right.

Mr. Martin (Essex East): —may I say to the hon. member for Assiniboia that when it comes to following the course of wisdom, I am sure he will not misunderstand me if I say that I will not follow him in that regard.

Mr. Argue: That is a reflection on your members who voted.

Mr. Martin (Essex East): As to the point of order, Mr. Chairman, may I point out that I think it is highly improper for any hon. member to comment upon what another hon. member has done with regard to a vote in this chamber. I have not voted because this matter has come up suddenly and I have not been able to give it the kind of thought which I am sure this question deserves. I doubt very much whether the whip of the Conservative party has given this matter any thought at all.

Mr. Fulton: On the point of order, Mr. Chairman, may I say this. The hon. member's reasons may be adequate to himself, although I doubt whether they will appeal very strongly to other members of the committee. However, now that the point has been raised it seems that we should be clear on the matter. I am under the impression that our rules provide that a member who is present in the chamber must indicate which way he votes.

Mr. Martin (Essex East): What is the authority for that statement? I should be glad to know it.

Mr. Fulton: I say I am under that impression. Since I think it is an important matter that we should decide, Mr. Chairman, I would ask that you indicate what the situation is.

Mr. Martin (Essex East): I think it would be a good point to have cleared up. It is the first time I have ever known that point to be raised.

The Chairman: I was always under the impression that an hon. member could abstain from voting even though he was in the chamber.

Mr. Argue: That is right.

The Chairman: I may say that if such is the case, of course, any identification on a point of order of a member who abstains should not have taken place. If the committee will allow me to consider the point further I should like to do so. If I have anything to add to what I have already said, I will do so later.

Mr. Argue: Agreed.

Mr. Martin (Essex East): I would simply add one point, Mr. Chairman. I did not indicate whether or not I was paired.

And the result of the vote having been announced:

Amendment negatived: Yeas, 8; nays, 53.

The Chairman: I declare the amendment lost. Shall clause 2 carry?

Mr. Johnson: I have a few remarks to make on this clause particularly with relation to subsection 3 of section 206 of the Criminal Code, which excludes a young person from liability to the penalty for capital murder when such person appears to be under the age of 18 at the time he committed the murder. If we turn to chapter 160 of the revised statutes of 1952, an act respecting juvenile delinquents, we find in section 2(1) (a) a definition of the term "child". The definition reads:

"child" means any boy or girl apparently or actually under the age of sixteen years, or such other age as may be directed in any province pursuant to subsection 2;

If we turn now to subsection 2 we read:

The governor in council may from time to time by proclamation

(a) direct that in any province the expression "child" in this act means any boy or girl apparently or actually under the age of eighteen years, and any such proclamation may apply either to boys only or to girls only or to both boys and girls, and (b) revoke any direction made with respect to any province by a proclamation under this section, and thereupon the expression "child" in this act in that province means any boy or girl apparently or actually under the age of sixteen years.

I wonder why we should have a provision in this bill dealing with the Criminal Code stating that the penalty for capital murder shall not be applicable to a child who appears to be under the age of 18 years, when we have on the statute books the Juvenile Delinquents Act according to which a child is defined as a person under the age of 16 years. Should we not apply the same standard to this section 206 of the Criminal Code dealing with capital murder?

Since I indicated on second reading last Wednesday that I am of the opinion that any person 18 years or over is old enough to take responsibility for committing a capital murder and old enough to be liable for the punishment set for capital murder, I draw the attention of the minister to the possibility of amending this clause of the bill now under consideration so as to amend subsection 3 of section 206, which is clause 2 of Bill No. C-92. Accordingly I move, seconded by the hon. member for Berthier-Maskinonge-Delanaudiere:

That clause 2 be amended by substituting the world "sixteen" for the word "eighteen" in paragraph (3) of section 206.

Mr. Martin (Essex East): I was just about to ask the hon. member whose amendment has been put forward if he can tell us what his research has revealed in this regard as to the practice in jurisdictions outside Canada.

Mr. Johnson: Perhaps we could rely on the experience of the hon. member for Essex East for having that information given to the committee.

Mr. Martin (Essex East): Can the hon. member say whether there are any other jurisdictions of which he is aware where young persons of 16 are subject to the death penalty? I am just looking for some information on the subject.

Mr. Johnson: I am sorry, but I cannot give to hon. gentlemen that information. I am really serious when I say I rely on the hon. member for Essex East to give this information. I only know that in our country we have this problem of juvenile delinquency. It may be that we should take it more seriously and say that our young people should be discouraged from taking part in the gang wars and fights of which we hear so much in the big cities of Canada, in Toronto, Winnipeg, Montreal and even here in Ottawa. My proposed amendment arises from the fact that in most provinces of Canada our young people after they reach the age of 16 are very often independent of their parents. Many of them leave home to work in the cities and separate themselves from the authority of their parents. It may be that we should consider the advisability of amending the act in such a way as to reduce the age limit from 18 to 16.

Moreover, if the hon. member had listened carefully he would remember that I quoted chapter 160 of the revised statutes dealing with juvenile delinquents and tried to establish that since that act defines a child as a person under the age of 16, we should apply the same standard all the way through in the Criminal Code except in matters other than in capital crimes where a province has decided to take advantage of section 2, subsection (2) (a) to increase the age from 16 to 18.

Let us not forget, however, that subsection (2) (b) of the same act gives power to the federal government to revoke any such proclamation. My contention is that taking into account that we have extensive juvenile delinquency in this country, we should consider reducing the age from 18 years to 16 years under clause 2 of the bill now being considered.

Mr. Fulton: Perhaps I should say a word at this point, because the question as to what is done in other jurisdictions is of interest

and the answer might be helpful to the committee. The Gowers commission points out in paragraph 183 that with respect to the United Kingdom the children's act of 1908 provided that persons under 16 years of age at the time of the offence could not be sentenced to death but, instead, could be sentenced to be detained during His Majesty's pleasure. This provision was extended by the children and young person's act of 1933 and by the children and young person's (Scotland) act of 1937 to persons under 18 at the time of conviction. It was further extended by section 16 of the criminal justice act, 1948 and section 17 of the criminal justice (Scotland) act, 1949, to persons under 18 at the time the offence was committed. No person under 18 years of age had in fact been executed since 1887. So the law of England since 1933 has been that no one under the age of 18, generally speaking, should be hanged.

It seems to me, with respect to the argument of the hon. member for Chambly-Rouville, that there is some difficulty. He is basing his case on the fact that in our Juvenile Delinquents Act the age limit is stated to be 16, and I believe that is subject to variation from province to province. Assuming that it is age 16, for the purposes of his argument, it seems to me there is a very great difference between saying, on the one hand, that for the purposes of that act a person under the age 16 shall be regarded as a juvenile and shall be treated in special courts, and saying on the other hand that a person over 16 and under 18 years of age, therefore, should be subject to be hanged. One argument does not seem to follow from the other at all.

I should again like to refer to the findings of the joint parliamentary committee here in Canada, and perhaps I should read the whole paragraph from their report in this regard. The paragraph in question is No. 76, found at page 18 of that report, and reads as follows:

> 76. The committee noticed that the invariable practice has been to commute the sentence of all persons under 18 and that, since 1945, the sentence has rarely been executed against a person 20 years and under. The committee balanced the consideration, that youth must always be a mitigating factor, against the fact that some of the most callous crimes are committed by young offenders showing a total disrespect for life or property. The committee noted that the United Kingdom royal commission on capital punishment unanimously favoured the retention of the present United Kingdom law prohibiting the execution of offenders under 18 but was almost equally divided in considering whether the exemption should be raised to 21. The committee concluded that it would be proper to amend the law to provide that the death penalty should not apply to a person of the age of 18 years or less at the time of the commission of the offence and recommends strongly that, except in extraordinary cases, the present practice of commuting most death sentences passed on persons under 21 years be continued.

This is another case where we have accepted the committee's recommendation, in so far as the provision of the law is concerned, with regard to persons of less than 18 years of age, and it constitutes a recommendation for the guidance of the executive. That viewpoint of the committee is carried into their conclusions or summary of recommendations, and is recommendation No. 6 at page 23.

I recognize that we have to fix an age limit, and that there is bound to be some difficulty because there is a great differentiation made on the basis of perhaps one or two days in a person's life. The limit has to be fixed somewhere, and for the reasons indicated in the passage I have read from the committee's report it seemed appropriate to us that it should be at age 18.

Mr. Denis: Mr. Chairman, I should—

Mr. Fulton: May I just say, in order that the committee will not be taken by surprise, that as the house leader announced last evening, I am unable to be here this afternoon, so at 2.30 the house will continue its discussions in respect of the bill of my colleague the Minister of Agriculture.

Mr. Martin (Essex East): Mr. Chairman, I should like to ask the minister a question in that connection. Is it a fact that we are not only going to adjourn at 2.30, but that the minister is going to be away for some time? I have heard that he is going to be away for some two weeks.

Mr. Fulton: Oh, no, I shall not be away for two weeks. I do not think I shall be able to be back for the balance of this week, but I certainly shall be back next week.

Mr. Martin (Essex East): That being the case, I should like to point out that it is regrettable that the government cannot even now accept the proposal that while the minister is away, with the Solicitor General guiding the bill we would go into committee in order to meet the requests and objectives stated by us yesterday.

(Translation):

Mr. Denis: Mr. Chairman, I believe we should endorse the amendment introduced by the hon. member for Chambly-Rouville (Mr. Johnson), for it brings us closer to the existing law.

(Text):

For the benefit of the members of this committee I should like to cite section 13 of the Criminal Code, which reads as follows:

> 13. No person shall be convicted of an offence in respect of an act or omission on his part while he was seven years of age or more, but under the age of fourteen years, unless he was competent to know the nature and consequences of his conduct and to appreciate that it was wrong.

I think the best thing would have been to leave the law as it is, because we are now involved in a situation where there are three or four age categories in respect of which an individual can be found guilty of murder and liable to capital punishment. I support the amendment proposed by the hon. member for Chambly-Rouville, because it is closer to the existing criminal law regarding the age 14 limit.

(Translation):

Mr. Paul: Mr. Chairman, I am pleased to endorse the amendment introduced by the hon. member for Chambly-Rouville (Mr. Johnson).

As he mentioned himself, we are faced today, especially in this country, with a juvenile crime wave and as a result, unfortunately, too many crimes are being committed by teenagers under the age of 18.

The hon. member for St. Denis (Mr. Denis) referred to section 13 of the Criminal Code. Allow me to point out the special provisions contained in section 139 of the Criminal Code, where a distinction is also made between a crime committed by a person under 14 and one over 14 years of age.

With regard to rape, before the last amendments were made to the Criminal Code, the crime of rape was punishable by death, under the law, regardless of the age of the persons who committed the crime.

If this amendment receives the approval of the house, then we may have contributed to creating more of an impression on youth who, nowadays, laugh off all forms of authority, be it executive or paternal.

If the legislator deemed appropriate, for certain crimes, to let the child of 14 years bear the consequences of the act he has committed, I am of the opinion that in every other field, and especially in the case of murder, the young man of 16 years old should be treated on an equal basis with adults.

For that reason, I readily endorse the amendment introduced by the hon. member for Chambly-Rouville.

(Text):

Mr. Crestohl: Mr. Chairman, I cannot see any reason for following acceptance of the amendment proposed by the hon. member for Chambly-Rouville. I rather appreciated the sequitur which the minister presented regarding the inconsistencies between the age limit of the Juvenile Delinquents Act and the proposed age limit of 18. That is a very logical approach to the situation. By setting up different age groups in respect of which crimes can be recognized, such as seven years, 14 years, 16 years, and now 18 years, we are compounding a great number of difficulties which the different age limitations have created.

As a result, I am wondering how we will deal with the question of the maturity of persons in Canada, when individuals are not considered to be mature for the purpose of voting until the age of 21 years. I suggest that if there is to be a change in respect of the age when a person can be put to death, individuals should be given the full run of their immaturity, so to speak, until they reach the age of 21 years.

Actually we are confusing two things. We are confusing the possibility of finding a person guilty of murder up to a certain age with the advisability of putting that person to death. It is possible to find a person below the age of 16 guilty of murder, but the minister is now asking that he should not be put to death if he is under the age of 18. Therefore I would not support the amendment as it is presented, but on the other hand I would certainly support an amendment to raise the age to 21, to give the Canadian his full run of immaturity until the time he is permitted to vote.

Mr. Browne (St. John's West): May I draw the committee's attention to what took place in England before the Gowers commission. Paragraph 189 of the report reads:

> The statutory exemption of persons under 18 from the capital sentence gave effect to a principle which had governed for over 40 years the practice of ministers responsible for advising on the use of the prerogative of mercy. From 1887 onwards, successive ministers recognized that the penalty of death ought not to be inflicted on persons under the age of 18, and recommended a reprieve in all such cases. The principle that a person under the age of 18 should not be put to death, however bad his crime may be, has long been accepted without question.

In the face of the experience in the United Kingdom and in Canada I think the clause should stand.

(Translation):

Mr. Denis: Mr. Chairman, do we not feel that we are giving enough of a chance to these poor people, as we say, who have committed murder? Yesterday, the Prime Minister was saying that, as far as a second offence is concerned, the percentage among criminals having committed murder is less than among other groups of criminals.

That seems normal, because those who have committed homicide are either hanged, which makes for a lower percentage of second offences or they have been imprisoned for life and this again helps to reduce the percentage. The third major group is the one consisting of those who have committed manslaughter; in most cases a car accident is involved and it cannot be said that they are criminals.

These people, once back to normal life, are not ready to commit new crimes, since they are good people to whom an accident has happened.

As for those who were fortunate enough to be granted mercy and were later released on parole, well they had been sentenced to life imprisonment. If they relapse into crime, they are in for another period of 25 years.

The compassion for those poor murderers expressed by the Prime Minister proceeded from a rather weak argument, I think.

A person of 14 years of age cannot be sentenced to death under the present law. The bill has increased this age level to 18 years. That is why I support the amendment submitted by the member for Chambly-Rouville (Mr. Johnson). It keeps closer to the present law, notwithstanding the fact that the bill under discussion gives so many chances to the murderer that it becomes practically impossible to apply the death sentence.

First of all, there is the difference established between capital and non-capital murder.

Yesterday, several examples were given of cases where murderers could not be sentenced to hanging.

Moreover, section 13 of the bill provides that the judge must ask the jury whether or not they recommend mercy for the accused. Under section 14, the judge can also recommend mercy. Section 11 gives the accused an automatic right of appeal the moment the death sentence is passed. Moreover, if he has not been successful before the appeal court, he may, under section 12, bring his case before the supreme court. Finally, if he does not succeed before the supreme court either, there is still the royal prerogative. You know the extent to which that perogative has been used during the past three years; if I am not mistaken, 39 death sentences out of 49 have been commuted to life imprisonment.

I therefore submit, Mr. Chairman, that the murderer has enough chances of avoiding the gallows without our having to set an age limit under which no man may be sentenced to death.

If the government want to abolish capital punishment, why do they not go ahead and say so instead of making a fuss and telling the people in one breath that capital punishment will be abolished and then, in another, that it will not be abolished; that they are in favour of protecting the murderer or that the latter does not have enough protection.

Never have I seen such a misleading and foggy bill aiming to please both currents of opinion. That is why I respectfully submit that we should support the amendment proposed by the hon. member for Chambly-Rouville (Mr. Johnson).

(Text):

The Chairman: Is the committee ready for the question?

Amendment negatived: Yeas, 5; nays, 41.

Clause 2 agreed to.

On clause 3—*Capital murder to be specifically charged.*

Some hon. Members: One o'clock.

The Chairman: Do I understand that the minister is asking that the committee rise and report progress at this time?

Mr. Fulton: Yes, Mr. Chairman.

Progress reported.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

AGRICULTURE

PROVISION FOR AGREEMENTS RESPECTING MARGINAL LANDS, RURAL EMPLOYMENT OPPORTUNITIES, ETC.

The house resumed, from Monday, May 22, consideration in committee of Bill No. C-77, to provide for the rehabilitation of agricultural lands and the development of rural areas in Canada—Mr. Hamilton (Qu'Appelle)—Mr. Chown in the chair.

On clause 3—*Agreements for rural development projects authorized.*

(Translation):

Mr. Boulanger: Mr. Chairman, I should like to make a few remarks in connection with section 3 of this bill. The section reads as follows:

> The minister may, with the approval of the governor in council, enter into an agreement with any province providing for
>
> (a) the undertaking jointly with the government of the province or any agency thereof of projects for the development of income and employment opportunities in rural agricultural areas specified in the agreement and for improving standards of living in those areas; or
>
> (b) the payment to the province of contributions in respect of the cost of such projects undertaken by the government of the province or any agency thereof.

Mr. Chairman, we are indeed justified in discussing legislation to increase farm income, because the booklet published by the department, entitled "ARDA", reports that out of 575,000 farms operating throughout the country, 120,242 yield only $1,200 or less

to their operators. Further, analysis shows that, in 91,368 farms in eastern Canada the sale of farm products brings in only $1,200 or less. In other words, 76 per cent of all farms in eastern Canada show a cash return of less than $1,200 to their operators.

Those figures prove what I have said previously to the effect that in the maritime provinces two farmers out of every three do not have enough income to support their family decently. That is why we, in the opposition, have felt it desirable to speak up on behalf of eastern farmers.

Frequently, the present Minister of Agriculture (Mr. Hamilton) comes back with the charge that we want to pit the eastern farmer against the western farmer. I am not laying the whole blame on the minister for the deplorable situation in which the eastern farmers find themselves, because he is not yet fully conversant with the problems of his department.

It is hard to bring back to earth a man who has been living in the clouds ever since he left his lecturing job at the University of Saskatchewan. However, his irresponsibility would soon be forgiven if we could find among his colleagues in the government, and particularly those from eastern Canada, men with backbone who could truly represent the opinion of eastern farmers.

And what have we heard from the few Quebec members on the government side who have taken part in this debate? They were content to commend the government for its policy, at a time when the farmers are leaving the land by the thousands, for lack of an income adequate to meet the needs of their families.

The farm situation in eastern Canada is pitiful, especially in the maritimes. This is something the Liberal government had recognized, and that is why the Right Hon. Louis St. Laurent set up the Senate committee on land use, to seek a solution and to draft an agricultural planning program. It has been said that to govern is to foresee. Foresight had been a characteristic of the former Liberal government, and of all successive Liberal governments for a period of 22 years.

Western farmers remember that in 1935 they were in a sorry plight because of successive droughts which had caused large scale social and economic problems. That is why the Liberal government acted to apply the Prairie Farm Rehabilitation Act, which had been submitted to the house on the eve of a general election. In fact, if we consider the proportion of farms with an annual return of less than $1,200, we find that for the three provinces to which this legislation applies, only 4 per cent are in Saskatchewan, 9 per cent in Alberta and 10 per cent in Manitoba. That goes to show that the legislation passed by the Liberal government has been effective and, today, the minister has no cause to accuse the members of the opposition of being hostile to western farmers.

Instead of this, we would have expected the minister to extend the application of the P.F.R.A. to every part of Canada, something he had already said here he would do, but he did not. Hon. members on the government side have blamed the Liberals for all the farmers' troubles, but they kept silent.

It is time the government included in this act provisions that would take into account the needs of eastern farmers. I imagine the Minister of Agriculture (Mr. Hamilton) will accuse me again of contrariness, suggesting that I always have it in for western farmers. He does not even realize that legislation to help farmers has always been passed under a Liberal government.

Mr. Chairman, it is time to consider restoring the balance and especially to look into the situation of eastern farmers, without for all that overlooking the needs of western farmers. In the province of Quebec, an extensive study was carried on for three years by distinguished professors of Laval University; in fact they have just published a pamphlet dealing with farm improvements, and particularly—

(Text):

The Acting Chairman (Mr. Chown): I am sorry to interrupt the hon. member, but I think I should point out to him that we are now on clause 3, which has to do with agreements for rural development projects, research and investigation, and the fact that the minister is to make use of the services of other departments. I am just referring quickly to the explanatory notes opposite the clause. The hon. member is now making the type of address that would be more acceptable on clause 1 than on clause 3. I wonder if he could in future relate his remarks more closely to the clause under consideration.

(Translation):

Mr. Boulanger: Mr. Chairman, on the point of order, I must say that we are discussing the possibilities of increasing income and employment in the agricultural and rural areas. Hence, I fail to see why my remarks should be considered irrelevant.

Out of the 120,000 farms in the eastern provinces, 91,000 do not yield an income of more than $1,200. Is it by planting Christmas trees in the province of Quebec and in other eastern provinces that the Minister of Agriculture intends to provide an answer to the problem of agriculture?

Any attempt to have farmers believe this nonsense is mere window dressing. The problem is in the soil, in the fields, in the barn of the farmer, and not up there in the clouds.

Moreover, in some parts of the province of Ontario and of Quebec and in the maritime provinces, many farms would become economical units if they were made fit for agricultural operations through the development of drainage systems, the clearing of stones, and, in some cases, by the use of fertilizers and lime.

There are many instances where submarginal lands increased in value after being sold, due to the fact that the new owner undertook essential projects to improve productivity. I know two young farmers, in the eastern townships area, who bought a 250 acre farm on which the former owner could barely eke out a living. Today, after about 15 years of operation, the farm has 75 head of cattle and the owners are happy and thriving. These young farmers loved the land, more so, I am sure, than people who are quitting the farm in eastern Canada.

There are in eastern Canada a certain number of farms and hundreds of acres of tillable land out of which the owners could make a profit if they were given the means to develop them.

There are certain responsibilities which the government must assume when it is a matter of protecting a whole category of citizens on the way to ruin. This assistance should have as its first objective, the draining of land; second, clearing the land of stones, if necessary; and finally, the fertilizing of grazing land; and crop rotation on tillable lands, and the reforestation on others. Therein lies the whole problem of marginal and submarginal farms in eastern Canada.

I realize that this situation and those difficulties that are met with in eastern Canada are not found out west. I know, having lived and worked on western farms for a year, that they do not have any drainage problem.

They don't have to worry about the problem of the clearing of stones that we have in eastern Canada. Drainage and clearing of stones are two serious disadvantages that we have to contend with. That is why I would ask that, in this new bill and in the drafting of regulations that will follow, the Minister of Agriculture give special attention to drainage and clearing of stones in eastern Canada.

Years ago, this house enacted the Prairie Farm Rehabilitation Act, and all of us have felt its beneficial results. Besides, they are outlined in the publication issued by the Minister of Agriculture. Legislation that would give special attention to drainage and to the clearing of stones would have the same results in eastern Canada as the Prairie Farm Rehabilitation Act has had in western Canada.

Of course it would cost several million dollars to apply such a scheme; but would it not be worth while spending a hundred million a year, considering that such a program would benefit six eastern provinces and would help to keep on the land some of the 91,000 farmers who, otherwise, will swell the ranks of the unemployed in the cities?

We are spending about $1,600,000,000 on national defence, to build planes and appliances of war which are obsolete even before they are put into service. Would it not be worth while to sacrifice one or two of these to the cause of agriculture, and to safeguard family farms?

I could go on speaking on this subject, Mr. Chairman, but I shall close my remarks at this point.

However, I would urge the minister to give serious consideration to the request we have placed before him on behalf of eastern farmers. And I urge fellow members from eastern Canada, if the idea I have just put forward is agreeable to them, to give it their support.

Mr. Chairman, I should now like to raise a question of privilege.

At this moment, I should be attending a meeting of the steering committee of the committee on agriculture and colonization. Would it not be possible to arrange the program in such a way that we might attend the proceedings of the house when it is dealing with matters of interest to us, and also attend the meetings of the committee on agriculture and colonization, of whose steering committee I am a member, when it is sitting.

(Text):

Mr. Martin (Essex East): The hon. member for Drummond-Arthabaska has just indicated that he is a member of the steering committee of a committee of this house dealing with agriculture, and if I understood him aright, he wondered why this matter could not be allowed to stand so he could discharge his responsibilities there. The minister

did not make any physical move that would indicate his interest in the suggestion made by the hon. member. While he is thinking about the request made by the hon. gentleman, I should like to make a few remarks on this particular clause.

Clause 3 (1) (a) provides as follows:

3. (1) The minister may, with the approval of the governor in council, enter into an agreement with any province providing for

(a) the undertaking jointly with the government of the province or any agency thereof of projects for the development of income and employment opportunities in rural agricultural areas specified in the agreement and for improving standards of living in those areas;

With regard to subclause (a) I have this comment to make. Of course no one in this chamber will fail to support any positive effort by the administration for the purpose of promoting projects that will develop income and employment opportunities in rural or other areas in our country; nor will any hon. member oppose any efforts made by the administration to improve the standard of living in those areas. I make these observations because of what I am now going to say, and I hope the minister will not suggest that my remarks now can be construed as meaning that we are not interested in seeing an improvement in the standard of living of the farmers of our country or that we are not anxious to see an improvement in their income and their employment opportunities.

However, I suggest to the minister that this kind of language in a bill is most unusual. The purposes or the objectives of a bill are generally stated in the preamble, and in the preamble of this bill the objectives of this legislation are stated, and I believe they are stated accurately, although I repeat that the bill is no more than a long term measure and does not in any way provide for any immediate improvement in agricultural economic conditions. To use the language in the first clause of the preamble, "their standard of living". The use of the phrases "development of income and employment opportunities" and "improving standards of living" in subclause (a) of clause 3 is a misuse of the form of legislative enactment traditionally resorted to in the House of Commons. The only purpose I can conceive for the inclusion of those phrases in this particular clause is in keeping with the general objective for which this minister in particular is especially noted, namely for propaganda purposes.

The clause itself does nothing to promote income and employment opportunities, nor does it do anything to improve standards of living. It simply gives the government, if it wishes to act, the authority to enter into agreements with the provinces for the promotion of projects which may have those objectives. But I say that, the objectives having been stated in the preamble, to repeat them in this way in the clause clearly reveals the immediate purpose the administration has in mind, notwithstanding whatever denial may come from the minister.

As I said before, I hope the minister will not misconstrue what I have said. Any project that will improve income and employment opportunities of the farmers in this country will be supported by every member of this committee. Any measure that will improve the standards of living of farmers will be supported by all members of this committee. But if one takes those phrases out of this clause practically nothing remains, and all that we in this committee are asked to vote on with regard to this clause is something that is already covered in the preamble, and is so general as to warrant the indictment I have made about the use of these phrases in an enactment that is supposed to create a new power for the administration pursuant to an act of parliament.

Mr. Bell (Carleton): What improvement in language does the hon. gentleman suggest?

Mr. Martin (Essex East): I would suggest language something like this. "The minister may, with the approval of the governor in council, enter into an agreement with any province providing for the undertaking jointly with the government of the province or any agency thereof of certain projects in accordance with the purposes of this act."

An hon. Member: It is more vague.

Mr. Martin (Essex East): It is not more vague. To repeat the language of the preamble, I say again, in a clause of a statute is a misuse of the form of enactment to which we resort in this house, and I should be greatly surprised if any draftsman in the Department of Justice initiated this language by himself. I can only conceive that the minister, with his well known technique of exaggeration and propaganda, is responsible for language of this kind.

Possibly the minister might deal later with this further query which I raise in connection with clause 3 (1) (b) where the words appear—

The payment to the province of contributions in respect of the cost of such projects undertaken by the government of the province or any agency thereof.

Can the minister tell us whether it is the intention of the government of Canada, before prorogation, to bring forward by way of a supply estimate any proposed expenditure that might embrace this particular subclause

concerning the payment of contributions to a province? If the minister has a particular project in mind; if he anticipates, as he indicated when we discussed this matter on second reading that he will have at least a pilot project operating in each of the provinces, then it ought to be possible for him to say that it is his intention to bring forward a supplementary estimate providing for an amount of money to cover the payment to the provinces of contributions in respect of particular projects or pilot projects.

I suggest that the minister does not propose to bring forward any estimates, that no money is going to be voted this year. I further suggest that even next year the government will not bring forward any proposed expenditure of money pursuant to this bill, because no project can be finalized with the provinces under clause 7 of this bill unless parliament approves the spending of the money designed for that particular purpose. That would bring us away into the spring of next session unless we have some other intervening event. The probability is, therefore, that it is not an exaggeration to say that the government has no expenditure of public money in mind at all with respect to this measure in the foreseeable future.

While I am dealing with clause 3(1)(b) I might say to the minister that I doubt very much whether the words "or any agency thereof" fully meet the question put by the hon. member for Assiniboia the other day and the reply thereto by the Minister of Agriculture. The hon. member for Assiniboia wanted to know whether this bill would authorize the minister to enter into any arrangements with individual farmers or proprietors, and the minister replied, as I recall, that the bill would authorize the federal government to enter into agreements with the provinces so as to enable arrangements to be made with certain delegated bodies which might be composed of groups of farmers or landowners.

Assuming that this was the reply given by the minister, and I believe it was, is the minister satisfied that the words "or any agency thereof" give him the desired kind of authority? Surely this phrase means precisely what it says, an agency of the province. It might be a research board, it might be a farm loan board, it might be a marketing board or some body of that sort, but surely an agency of the province, unless there is a more precise definition, does not mean anybody to whom the province delegates a particular function under the authority which is alleged to exist in this bill. If the minister wants to do that very thing—and I believe he should want to do it—there ought to be more precise language in this statute so it may be clear that we are authorizing the government to enter into arrangements with the provinces to provide for the delegation to non-governmental bodies of responsibility for carrying out the purposes of this bill.

The comment I made about the use in a legislative enactment of a certain form of words with respect to clause 3(1)(a) as distinguished from a preamble apply equally, of course, to clause 3(2), which says:

> For the purpose of assisting the development of income and employment opportunities in rural agricultural areas in Canada and the improvement of standards of living in those areas, the minister may cause to be prepared and undertaken with the government of any province or any agency thereof or with any university, educational institution or person, programs of research and investigation, and co-ordinate such programs with other similar programs being undertaken in Canada.

That is a very laudable objective. Once again, of course, it is an objective addressed to the long term and not designed to bring any immediate redress to the farm income situation. But why is it necessary to restate, as the minister does in the first two lines of this subclause, lines 28 and 29 of this bill, the words "for the purpose of assisting the development of income and employment opportunities in rural agricultural areas in Canada"?

Of course that is the purpose. But the place to state it, as we all know, is in the preamble of the bill, and there it is already stated. To repeat it, as is done here, in the body of the bill is to prostitute the form of legislative enactment which is designed to state the law precisely without giving the author of the measure an opportunity of parading intentions which are, in any case, already stated in the preamble to the bill. It is not necessary to pass this preamble at all if this particular language is going to appear in this clause as it does in some other clauses of the bill.

I suggest to the minister that this draftsmanship is not in accordance with our practice in this house. It is bad draftsmanship. It is draftsmanship of a kind which I am sure was not initiated by the officials of the Department of Justice.

Moreover, I regret that this clause, important as it may be for the future, does not give any relief whatsoever to the farmers of Canada at the present time. That is a fact, notwithstanding all the minister has said in this house, notwithstanding what he has said in the speeches he has made throughout the country, notwithstanding all he has said in the pamphlet which has been printed in hundreds of thousands and copies of which have gone out from one end of this country

to another as representing an accomplished fact when this is nothing more than an intention; an intention to be realized in the distant future; an intention, moreover, which was born not in the mind of the Minister of Agriculture but in the mind of a former prime minister of this country who caused a study to be made of the whole question of rehabilitation, conservation and land use. I refer to Right Hon. Mr. St. Laurent.

(Translation):

Mr. Martineau: Mr. Chairman, I should like to say just a few words on section 3.

The remarks I am about to make are inspired by those which the hon. member for Papineau (Mr. Meunier) made when we were considering section 2, on May 22. The hon. member implied that section 2, the wording of which is the same as that of section 3, could in a way infringe upon provincial autonomy.

I have only two brief remarks to make in that connection. First, both section 2 and section 3 provide for agreements between the federal and provincial governments.

Mr. Martin (Essex East): On a point of order, Mr. Chairman. In my opinion, the hon. member should have made those remarks when section 2 was being examined, not section 3.

Mr. Martineau: Mr. Chairman, on the point of order raised by my hon. colleague, I wish to say that my comments on section 3 are relevant. I am saying that this section provides for agreements between the federal and provincial governments.

I am therefore, discussing section 3 and merely saying that it is based on the same principle as section 2. We can reply to the question as to whether or not section 3 has violated or will violate the provinces' rights, by using the same arguments as for section 2.

Now, first of all, there is to be a voluntary agreement between the federal government and the provinces. Therefore, this does not constitute an infringement upon provincial autonomy since it calls for an agreement on definite points. If a province feels that such an agreement is a violation of its autonomy, it does not have to be a party to the agreement.

Second, I should like to quote section 95 of the British North America Act:

> In each province, the legislature may make laws in relation to agriculture in the province, and to immigration into the province; and it is hereby declared that the parliament of Canada may from time to time make laws in relation to agriculture in all or any of the provinces, and to immigration into all or any of the provinces; and any law of the legislature of a province relative to agriculture or to immigration shall have effect in and for the province as long and as far as it is not repugnant to any act of the parliament of Canada.

Therefore, that section of the constitution authorizes the federal government to legislate in matters pertaining to agriculture and, consequently, to make agreements with any province that wishes to do so.

Therefore, I feel that the committee has no reason to fear that this legislation violates provincial autonomy.

Mr. Habel: Mr. Chairman, may I be allowed to say a few words about section 3. The minister makes much of this act. In fact, under this section 3, it would be possible to enter into agreements with the provincial governments about those studies that would have to be undertaken to assist in the development of rural areas.

The minister seems to have a special disposition for visions. Not so long ago—we recall it easily—he had a great vision about the Canadian north, and having failed to make that vision come true he felt the need to move to a different department in quest of some other vision. And now it turns out that his new vision is based on the outcome of a study made by the committee appointed by the St. Laurent government, by the former Liberal government. And the minister is expecting much of the possible results of this work and of this co-operation between the federal and provincial departments of agriculture.

Well, I wish to inform this house that in my constituency we did not wait for the vision of the present Minister of Agriculture to decide to do something. In fact, as soon as the Senate committee was established, the county agriculturist was able to obtain from the Ontario department of agriculture authority to set up a survey committee. I have here the complete report of a survey made in that area where farms are not adequately productive, so to speak, and do not yield a reasonable income.

For the minister's information, I wish to say that this is a complete survey. I have on hand reports of many such surveys. In addition, the report drawn up by this provincial committee clearly indicates that the bill now before us, which the minister feels is based on his new vision, is but a mere extension of the work which the St. Laurent government had undertaken through the formation of a senate committee. In short, this bill would be a mere extension of the work already undertaken by certain provincial governments who did not wait for the announcement of the new vision of the Minister of Agriculture.

(Text):

Clauses 3 to 5 inclusive agreed to.

On clause 6—*Advisory committees.*

Mr. Martin (Essex East): Mr. Chairman, clause 6 provides for the setting up of advisory committees. I assume that these committees need not necessarily be composed of government personnel on federal-provincial account, but may be composed of non-government bodies such as farm organizations and the like. Could the minister inform us whether any such committees have been set up?

Mr. Hamilton (Qu'Appelle): No, Mr. Chairman.

(Translation):

Mr. Boulanger: Mr. Chairman, I should like to ask the Minister of Agriculture a question relating to the advisory committees referred to in section 6.

Has the minister consulted any organization in the province of Quebec before this bill was drafted? Did he get in touch with Quebec farm organizations, professional farmers or any other organization before writing out the bill?

(Text):

Mr. Hamilton (Qu'Appelle): Yes, Mr. Chairman.

(Translation):

Mr. Boulanger: Mr. Chairman, I should like to know which Canadian organizations and specially which Quebec organizations were consulted.

(Text):

Mr. Hamilton (Qu'Appelle): Mr. Chairman, first of all consultation takes place through the Canadian Federation of Agriculture, which represents all agricultural organizations in Canada; and second, with the various organizations in each of the provinces which may be interested. An example of that would be the dairy farmers of Canada. One of the directors of that organization comes from the province of Quebec. I also, of course, consult the minister and deputy minister of that province.

(Translation):

Mr. Boulanger: Mr. Chairman, I wish to commend the minister for consulting various national organizations. But I do not think he had any consultation with the organization which really represents farmers in the province of Quebec.

I doubt that he had any conference with these farmers who won gold medals in various farming competitions. And I refer to the best hog producers of the province of Quebec and the best farmers. They are the ones who would have given him the best advice on writing a bill for the improvement of the situation of the agricultural population, particularly in the east.

We have cause to wonder, today, about the advantages we will obtain through this legislation. We can obtain a lot and again we can obtain little, depending of course upon the sincerity of the administration and the Minister of Agriculture.

This bill may mean very little, and it could mean a lot, not only because of its phraseology, but also because of its implementation.

We cannot blame the government for not acting. This is a step in the right direction, we commend them for it and we will support the measure.

However, if we go back in time a little and examine the achievements of the Conservative administration thrown out of office in 1935, we find that at that time very good legislation had been enacted. In 1935, for instance, the P.F.R.A. was adopted by a Conservative government, but was never implemented. It was enacted on the eve of the general elections and I doubt that the act we may adopt today reflects genuinely serious motives. I feel that it stems from a desire to make a little window dressing and to obtain votes.

I would hope that I am mistaken—

(Text):

Mr. Hamilton (Qu'Appelle): On a point of order, Mr. Chairman, I do not think the hon. member should be allowed to make those remarks. He has imputed motives to me, and I do not think any hon. member is allowed to do this.

The Acting Chairman (Mr. Chown): I am afraid I did not hear what the hon. gentleman said. Perhaps the minister would enlighten me, since he is the one who is aggrieved.

Mr. Hamilton (Qu'Appelle): According to the translation system, the hon. member said I did not bring in this bill with any clear-cut motive in mind; that it was brought in purely to win votes. I do not think the imputation of motives of that sort is allowed under our rules.

(Translation):

Mr. Boulanger: Mr. Chairman, I did not impute wrong motives to the minister. I was merely judging from past experience when we adopted acts that were not put into force. That is why I doubt that this one is justified.

(Text):

Mr. Hamilton (Qu'Appelle): I am afraid I will have to ask for a ruling from you, Mr. Chairman, on the statement in which the hon. member said I did not bring in this legislation from clear motives but to win votes.

The Acting Chairman (Mr. Chown): I cannot find anything unparliamentary in what the hon. member said. Following what he did say I understood that he had to a very large extent withdrawn any wrong imputations or suggestions directed toward the minister in the short statement he just made.

Mr. Pitman: Mr. Chairman, I should like to obtain a little more definite information in regard to these advisory committees, because I believe the success or failure of this legislation will depend on them. I should like to know just exactly how many committees are to be established. Is there to be one in each province? What kind of people are going to be on those committees? One of the things the minister said when he was speaking on this legislation was that the success of a part of this bill would depend, and here I quote, "almost entirely on the rapidity with which the provinces wish to push this program". Surely a large part of the success of this legislation depends upon the leadership which is given by Ottawa and, of course, by the minister himself. A great deal of the success of this legislation will depend upon the kind of committees to be set up under this particular clause of the bill.

I am wondering, for example, whether a pattern has been given to the people who are to form these committees. I notice that one particular article the minister read discussed the fact that part of this legislation was to encourage local industry, the provision of recreational facilities, technical training and so forth. Are people from all those fields going to act on those advisory committees?

I am wondering, for example, whether there will be an attempt by the advisory committee to estimate how much food Canada will need in the next 10, 15 or 20 years. Will there be an attempt to bring research into the whole area? Will there be an estimate of how much food Canada will be expected to produce in terms of world needs over the next 15 or 20 years? In other words, are those advisory committees to be strictly agricultural in their impact? Are they to be very broad committees which will attempt to deal with the whole area of marketing and the general economic needs as well as training, and various other things which are discussed? Also, as a matter of interest, I should like to know whether the farmers' union have been brought into the area of those advisory committees, and whether they will contain members representing that organization.

Mr. Hamilton (Qu'Appelle): Mr. Chairman, in answer to the first question as to how many committees there will be, I do not think any person at this time can give a final answer to this question. It is thought that there certainly will be a dominion-provincial committee at the national level. In each province there will be a dominion-provincial committee at the provincial level which, of course, can work with local regional groups. There is another type of advisory board which will be dealing with particular subjects which we have in mind, on which there will be people who have knowledge of the matter and will be able to look into that particular subject.

The next question was who will be on the committees. I think the obvious answer to that would be the ones best suited, in the case of Canada, to give the answers to the special problems, and in the case of the joint committee as between the provinces and the federal government I imagine it would be the type of representatives of both the provincial and the federal governments who are experts on the general A.R.D.A. bill. It is more or less an administrative group.

The final subject raised was whether they will be discussing the particular implications of over-all planning of the agricultural industry in relation to other industries. The answer is yes and no; yes in the sense that before you can properly set up a new development in any particular regional area certainly you will have to know that there is a market for the products you are going to produce. There will have to be planning in relation to the over-all marketing situation in that type of problem.

The answer "no" deals with the fact that we have coming up in Canada in October of this year the resources for tomorrow conference, which has been given as its terms of reference the laying down of principles for the use of all our renewable resources as among the provinces, the federal government and private interests that control some of them. Under their terms of reference I would expect they will be coming up with a series of principles and directions along which I hope each of our joint respective jurisdictions and each of the powers concerned with the resources will travel.

To come back again to what I said on the introduction of this legislation at the resolution stage, the bill was originally timed in our thinking for the national agricultural program of 1958, to follow after the resources for tomorrow conference. Because of the inability of the expert people to get the conference ready last fall the agricultural bill has come ahead; but I pointed out at the time that I thought everything we were doing under A.R.D.A. would be in conformity with

the principles of the resources for tomorrow conference. In any event, I did not think they would ever restrict our terms of reference. It is more likely that we would broaden them.

I do hope this gives an answer to the question, which I think was searching after something really sound and substantial in the efforts that we are making in this bill.

Mr. Pitman: I have one more question. I asked about the farmers' union. Possibly the minister will enlighten me on this. Will this advisory committee be integrated with the Department of Agriculture and the Department of Northern Affairs and National Resources? Is it going to be integrated into a full-scale plan which the resources for tomorrow conference is really asking for in a long time organizational way? Is it just for the conference only, or is it projected into the next 15 or 20 years?

Mr. Hamilton (Qu'Appelle): To save time, I refer the hon. member to my speech at the resolution stage in which I outlined that one of the responsibilities of the Minister of Agriculture under this legislation would be to co-ordinate the activities of all the departments affected at the federal level. I listed seven departments on that occasion going through the whole range right down to citizenship and immigration because we are very concerned that the Indians be brought into the total resource picture, particularly on the agricultural side where we can give them the advantage of opportunities as we locate and discover them.

Clause agreed to.

On clause 7—*Expenditures.*

Mr. Caron: Has the minister any information as to the amount that will be required from the treasury to carry this bill into effect?

Mr. Hamilton (Qu'Appelle): I will answer that question but I should like to go on to the next clause because it properly comes under that.

Mr. Caron: We are on clause 7. It is because the chairman called clause 7 that I asked the question.

Mr. Hamilton (Qu'Appelle): I am quite pleased to answer. We are on clause 7 now. I was answering the hon. member for Peterborough on clause 6. An estimate of the total cost each year is certainly impossible in the early stages. The hon. member for Essex East was quite right in pointing out that this is long term legislation. I have made an estimate that over the next 10 to 20 years our share of the expenditure will be roughly $600 million. That is an estimate of about $15 million a year on the average that I would say we could spend, but there may be a lot more or a lot less spent depending on the way the projects go forward.

Mr. Martin (Essex East): Mr. Chairman, this is a rather interesting observation on the part of the minister. He says that he would estimate that in 20 years there might be an expenditure of $600 million. Does that expenditure represent the federal contributions alone or does it represent the total cost provided for by the two senior levels of government? When is the first estimated amount of $15 million going to be spent? The minister said he could not say what the annual amount would be in later years but he thought that at the beginning it would be around $15 million. Will there be an estimate provided this year in the amount of $15 million or an amount approaching that figure? Will there be a similar amount next year?

Mr. Hamilton (Qu'Appelle): Mr. Chairman, I think that question has been answered on several occasions in the past but I will try once again. In the experience we have had with the Conservative legislation passed in 1935, the Prairie Farm Rehabilitation Act, we found that there was a slow build-up at the beginning but after a while a certain level of expenditure developed that seemed to bring the demand for those services into relationship with the machinery we had to supply. An average annual expenditure developed which seemed to be sufficient to meet the particular demands. Based on that experience I calculated, with the help of some of the men working with me on this subject, that a reasonable level that could be expected under the bill would be an average expenditure by the federal government of approximately $15 million a year. I do not know what proportion local people, municipalities or provincial governments will be paying because the proportions will vary with each agreement in each province.

Mr. Martin (Essex East): My question was whether there would be a $15 million budget presented during the present fiscal year?

Mr. Hamilton (Qu'Appelle): I do not expect to do that because it is obvious I have to get the bill through first and that I have to get at least one agreement signed with one province before we can spend any money. It is also obvious that before I can spend money and make the agreement complete I have to come before parliament under this clause and secure authority to spend it. It is possible, of course, as the hon. member knows, that we might be able to work out an agreement or two under which action could go forward in

so far as the province was concerned with the full understanding that before we could put up any money the expenditure would have to be agreed to by parliament.

Clause agreed to.

Clauses 8 and 9 agreed to.

Preamble agreed to.

Title agreed to.

The Acting Chairman (Mr. Chown): Shall the bill carry?

Mr. Pitman: Can the minister tell us what his timetable is now? I understand he gave a timetable the last time this matter was before the house and said that he hoped to have some agreements with the provinces by the end of this year. What is his hope now? I think he was three months behind the last time he spoke on this subject.

Mr. Hamilton (Qu'Appelle): I am afraid the hon. member is once again a few days behind because I dealt with this matter on second reading. I said that I had proceeded with second reading about the first of May as I had promised and that I hoped by the end of this year to have at least one pilot operation in each of the provinces. I do not think there is going to be any doubt about being able to find these pilot operations. It is a question of deciding which one we will start with first. We are very anxious, as are the provinces, to make sure that before we move there is no mistake because in this type of long range program getting a good start is more important than getting a fast start. We have waited 35 years for this program and another few months will not decide its fate one way or the other.

Mr. Carter: I should like to ask one question. When the principle of the bill was being debated on second reading I believe there was some inference that the principle of rural rehabilitation would apply to fishing communities as well as to agricultural communities. Nothing is mentioned in the bill that could be construed as applying to fishing communities. Did I interpret what was said on second reading wrongly or does the minister plan to bring in further legislation?

Mr. Hamilton (Qu'Appelle): The hon. member has asked a very important question. Under the bill I am required to deal with such projects as agricultural matters. We certainly know that in the eastern part of Prince Edward Island, on the north shore of New Brunswick and a good deal of the coast of Nova Scotia and parts of Newfoundland there is a combination of uses of land, mostly forest and farming but occasionally fishing. We have discussed this matter and other legislation such as that providing farm credits and have decided that if we can work out some combination under which the operation can be called farming this bill will cover it. I have been in conversation with the premier of Newfoundland about this matter and he agrees with me that if we can keep the basic idea of agriculture with fishing as just one of the activities such lands can be included in the rehabilitation of an area. That is one of the ways of providing income for the farmers but it is going to be classified as farm income.

Bill reported.

Mr. Speaker: When shall the said bill be read the third time? Now, by leave?

Mr. Churchill: Next sitting of the house.

Mr. Speaker: Next sitting of the house.

FOOD AND DRUGS ACT

AMENDMENTS RESPECTING CONTROL OF BARBITURATES

Hon. J. W. Monteith (Minister of National Health and Welfare) moved the second reading of Bill No. C-99, to amend the Food and Drugs Act.

He said: Mr. Speaker, the measure in respect of which it is my privilege to move second reading is one that I am sure will be of considerable interest to the house. Hon. members are aware of the publicity which has been directed to what are referred to in the criminal underworld vernacular as goof balls. While there is no legal definition for this term, it is widely used to describe a barbiturate or an amphetamine tablet when employed for a non-medical purpose. Goof balls are frequently combined with an alcoholic beverage and are deliberately taken to provide a kick or stimulus which the user either requires or finds enjoyable.

I am advised that these substances are sometimes used by criminals to give them a feeling of confidence or courage in their commission of crime. Another use of these substances involves young people and here the practice is particularly vicious. Teenagers frequenting dance halls and other places of amusement or entertainment, will employ goof balls as a chemical crutch to get some form of stimulus, lift or kick, as the case may be. In addition, narcotic addicts when deprived of narcotics will often turn to these substances for help or support until narcotic medication becomes available. Alcoholics may also use them in a similar manner.

Barbiturates when used for medical purposes are regarded as sedatives and are principally employed for sleeplessness and for the relief of emotional stress or strain.

Under medical supervision, they are extremely beneficial and are widely used. When improperly used for the purposes I have indicated, they are not only harmful but frequently disastrous, if not tragic, in their results. They are habit forming if continually or indiscriminately used and in some respects can be said to be addictive.

Amphetamines, under medical supervision, are employed for a number of purposes. They are essentially used for appetite control to reduce overweight, and to relieve mental depression. Because of their stimulating effect on the nervous system, they are capable of helping to sustain mental or physical effort. They combat drowsiness and impede sleep. I am advised that they are often employed by persons engaged in more or less monotonous occupations requiring long hours of effort. Truck drivers on long hauls are frequently reported to use amphetamines to keep them awake and alert.

Experience has shown that persons using amphetamines may require barbiturates to counteract their effect and, conversely, persons using barbiturates may require amphetamines for the same purpose. Their association in the case of motor vehicle operators can be particularly hazardous.

Several years ago, reports were received indicating that barbiturates and amphetamines were easily procurable without a prescription in a number of retail pharmacy outlets. It was not considered, however, that there existed any form of illicit underworld traffic in these substances.

Investigations were subsequently made by inspectors of the food and drug directorate in an attempt to ascertain the extent to which these drugs could be purchased without a prescription in retail stores. As a result of a survey made some four years ago of 2,400 drug stores—or approximately half the total number in Canada—evidence was secured which warranted prosecutions being instituted against some 150 pharmacists. This evidence, however, did not indicate any widespread illicit traffic in these drugs but rather infractions of the requirements of the regulations calling for the sale only upon a prescription.

Within the past year and a half or so, however, other reports have reached us indicating that apart from some infractions of the regulations by retail pharmacists, there also existed a form of illicit underworld traffic in these drugs. This has been investigated by the R.C.M.P. and the results of their investigation clearly support the present existence of such a traffic.

[Mr. Monteith (Perth).]

I thought it would be useful if I reviewed very briefly the development of this situation, including the steps that have been taken under the present legislation, as well as the necessity for the additional measures which are now up for consideration.

The hon. member for Outremont-St. Jean (Mr. Bourque), who has discussed this matter on previous occasions in the house, will, I am sure, be glad to know that the government has been fully conscious of the situation and has for some time had under consideration possible ways by which the problem could be effectively met.

While from information gathered by the R.C.M.P. it is clear that a traffic in goof balls does exist in the major cities where there is a criminal underworld element, the situation in Montreal was considered sufficiently serious by the mayor of that city to convene a citizens' committee to deal with the problem. The committee, consisting of all interested groups and organizations, has issued a report recommending that certain steps be taken to combat it. I am pleased to inform the house that our original thinking in developing the measure which is now under consideration, included the very steps which the committee has subsequently recommended for adoption.

In view of the existence of an illicit traffic in barbiturates and amphetamines, hon. members may well wonder why it would not be simpler or preferable merely to include them with narcotics and to deal with the traffic as part of the narcotic traffic. The question is particularly relevant inasmuch as the measures which are proposed to deal with the illicit traffic in these substances are comparable in some respects with the measures which are necessary for the narcotic traffic. There are, however, differences which make it desirable that despite the similarity of enforcement measures, they should be dealt with under separate pieces of legislation.

In the first place, goof balls cannot be classed as narcotics. They are not so classed by the international agencies. Secondly, their medical use is different from that of narcotics. They are much more commonly employed by practitioners than are narcotics. Any proposal, therefore, to deal with barbiturates and amphetamines as narcotics would not receive favour or support from the medical profession. Their objection to such a course would be heightened by the additional psychological reason that it would be unfortunate to characterize barbiturates and amphetamines as narcotics and thus give them the form of stigma that is ordinarily associated with any continued need for, or use of, narcotics.

There is one further difference which of itself requires that barbiturates and amphetamines should be dealt with for legal purposes under the Food and Drugs Act and not as narcotics under that legislation. I refer to the question of possession.

Both in the narcotic act, as well as in this bill, there is established the offence of trafficking and of possession for the purpose of trafficking. Trafficking is the illegal distribution of drugs and it follows that possession for that purpose is related to trafficking but with some procedural difference in its proof. It goes without saying that in the case of a charge of possession for the purpose of trafficking, an important element would be the quantity found and the circumstances under which it was found. This has been substantially the criterion in narcotic enforcement and would be similarly applied in the case of an offence under the proposed Food and Drugs Act amendment.

In the case, however, of simple possession and not possession for the purpose of trafficking, there will be an important difference between narcotic legislation and that contained in this bill. The possession of a narcotic in any form other than as provided in the act or the regulations is a punishable offence. It is not proposed except in the case of possession for trafficking to make such possession a punishable offence under the Food and Drugs Act.

The reason for this difference is the clear distinction that can be drawn between narcotics and the drugs covered by this bill. Narcotics are not normally drugs which would be kept in the home, whereas barbiturates, and to some extent amphetamines, are quite likely to be included in the family medicine cabinet.

Narcotics as a rule would be prescribed on a very limited basis and for a particular purpose which would generally preclude any quantity or supply being on hand after the immediate need had disappeared. This, however, is not the case with barbiturates and in many households in Canada it is customary to maintain a supply of barbiturates for sleeplessness or for use by way of harmless sedation. Although these drugs can be obtained only pursuant to a prescription, which in turn is directed to a particular member of the family, they may be and frequently are used by other members of the family who are not covered by the prescription. It is not considered necessary or desirable that the use of a barbiturate by a member of the family under these circumstances should be made a crime. For this reason, the legislation does not, except as regards possession for the purpose of trafficking, make simple possession—even when not supported by legal authority—a criminal offence.

Family use under these circumstances is not the evil at which the legislation is aimed and this of itself would require a difference in the enforcement approach.

In addition to the above reasons, it is not thought necessary or desirable that the present illicit traffic in barbiturates and amphetamines should be dramatized or given the importance of the illicit traffic in narcotics and it follows that lesser penalties are considered to be sufficient under the circumstances.

I trust that this explanation will suffice to assure hon. members that this aspect has been given very careful consideration and that despite the similarity of the enforcement aspects, there is good reason for the separation. This, however, will not result in any duplication of effort or of enforcement because the R.C.M.P. will handle the illicit traffic in goof balls along with the illicit traffic in narcotics.

Apart from the suppression of the illicit traffic which will be a responsibility of the R.C.M.P. and, where necessary, other local enforcement agencies, the legal importation and distribution of these substances will be subjected to stricter control than is considered necessary in the case of other drugs which are subject to the Food and Drugs Act.

At the present time, the drugs covered by this bill can be sold only on a prescription and it is not proposed that this will be changed in any way. We do feel, however, that stricter control at the importation, manufacturing and distribution levels is required. This in no sense will impede or interfere with the legal availability of these drugs for proper medical purposes.

Unfortunately, the sources from which traffickers obtain their supplies of goof balls are not always ascertainable. It may be that they are sometimes obtained by theft or diversion from legal sources or it may be that in some cases they are illicitly manufactured. It is felt, however, that if legal sources are substantially tightened, then to the extent that goof balls are obtained by diversion, that source of supply will of itself disappear.

The tightening up of control, therefore, really involves the licensing of importers, manufacturers and wholesale distributors as well as the keeping of special records by such persons which will be subject to audit and examination. This will enable the tracing of supplies to the point of retail distribution in the course of which any unusual or improper dealings will automatically come to light.

None of these requirements will, however, impose any undue burden on those legitimately engaged in or dealing with these substances and I can assure hon. members that from discussions with the industry no difficulty is expected in bringing about full compliance with the new controls that are proposed.

Respecting the legal medical use of these drugs, there have been reports from time to time indicating dangers from a growing use of or dependence on them. The evidence which is available does not substantiate to any extent the fears so expressed. However, there is no question that in modern society a growing dependence is developing on certain chemical substances for stress, strain and other matters which perhaps were unknown to our forefathers in more leisurely times.

The legislation does not purport to interfere with the legitimate use of any drugs but merely attempts to provide such controls as may be necessary to ensure that proper safeguards accompany the manufacture, distribution and use of drugs where necessary.

The possibility of loose or indiscriminate prescribing of controlled drugs by a very few medical practitioners in Canada will be effectively met by the new measures which are proposed. I am glad, moreover, to assure the house that these proposals have in principle been discussed with representatives of organized medicine who are in agreement with their purpose.

I should like to say at this point that while authority will be provided in the law requiring the keeping of special records by all persons who deal in these substances—and this could well include members of the professions—there is no present intention that practitioners will be required to keep any special records in addition to those which are normally involved in good medical practice. Retail pharmacists will be required to keep special records but these will not be other than those normally required in good pharmaceutical practice. At the same time, authority will be included in the regulations to require a particular individual to furnish explanation as may be necessary respecting his use of these substances and to provide for such information, if necessary, being furnished to the provincial licensing authorities responsible for his right to practise.

I have attempted to set forth the problem in as factual and objective a way as possible so that hon. members will understand its extent and the necessity for the measures which are proposed for its solution. We have every reason to believe that the problem will be effectively checked by these proposals. We are convinced, however, that unless adequate measures are taken, the problem could well grow in size and importance and become increasingly difficult to remedy.

I can assure the house that the proposals which are set out in this measure are those which in the opinion of the competent authorities—including the R.C.M.P., officers of my department and others who are familiar with the problem—will be adequate and effective. It is our view that every measure needed to stamp out the illicit traffic should be taken and the legislation is designed to permit this being done. At the same time, it is not thought necessary or desirable that any undue restrictions should be placed on the legitimate employment of controlled drugs for medical purposes and the legislation will not have such an effect. Rather, it is the hope of the government that the proposed amendment will bring the matter under control so that it may never reach the proportions of the problem posed by narcotics.

In conclusion, it may be appropriate to mention that the problem which I have described as existing in Canada with regard to barbiturates and amphetamines is also one that is to be found in other countries. I am advised that many other countries at the present time are giving serious consideration to what effective measures should be taken to control the dangers resulting from the unnecessary and non-medical use of these very substances. It is, I think, fitting that Canada should be among the first nations to recognize the problem and to take appropriate action to deal with it.

Mr. Romuald Bourque (Outremont-St. Jean): Mr. Speaker, I am glad that, after all these years, the government has at last realized that there is such a thing as a goof ball problem. I hope that now when I speak of the goof ball problem hon. members will realize that it is a serious one, as is now recognized by the government. At the time when I first spoke about goof balls there were perhaps two or three hundred goof ball addicts, but unfortunately the number has grown to such an extent that I think the government is going to have a difficult time attempting to control these drugs.

At the present time these drugs can be obtained in Montreal proper. I know that because I come from Montreal. They can be obtained there in capsules. Some capsules are pink and others are of various colours. The capsules are small in size, being about half an inch in length and about one eighth of an inch in diameter. I presume that these capsules are prepared by the pushers or peddlers of the drugs. They are easily obtainable, I understand.

Hon. members may recall that last week I displayed some 1,500 or 1,800 different clippings which I have gathered over the last few years from various newspapers. They included editorials and full page articles in the weekly papers. In particular they illustrated the danger of the goof ball problem in Montreal. Hundreds of youths have been driven to crime through the use of these drugs and those hon. members who read newspaper articles on this subject only a short time ago will know that crimes have been committed in Montreal which are directly attributable to the use of goof balls, including riots in penitentiaries. One young man went into a cabaret at night and asked to be served with liquor. The bartender said he could not be served. The young man went home, got a revolver, took a goof ball and returned to the club. He waited at the door from midnight to four o'clock and when the bartender came out at four o'clock he shot his head off.

A young man or a young woman who is given goof balls will stop at nothing. Persons so affected will commit any crime, because they lose control and become completely crazy. They have no control over their senses. I am glad the government has at last realized that this is a serious problem and that measures should be taken to include this drug within the provisions of the Food and Drugs Act and allow the R.C.M.P. to handle these cases, because it is not for an amateur to handle this problem.

I wonder whether the minister has received a delegation which was formed in Montreal lately. I notice that the mayor of Montreal has written to the minister. He had arranged for meetings to be held in Montreal of a group of people including police authorities, prominent drug authorities, scientists, college professors and others who realize the danger which is caused to any city when drugs such as these can be obtained by anyone who wants to buy them. I repeat that I am indeed glad that the minister has seen fit to take up this question. Perhaps it will not be possible now to eradicate the practice of resorting to these barbiturates, but I hope the R.C.M.P. will have a better control over the situation and be placed in a better position to see that our youth is not contaminated further by pushers who will stop at nothing to put them in the way of crime.

Mr. Frank Howard (Skeena): With respect to the bill before us, it does indicate, I think, that the government realizes that this is a serious problem. I know that it has been so, and increasingly so, in the city of Vancouver for a few years. Vancouver, of course, has the highest population of narcotics addicts in Canada and it would possess along with that, a similar interest in barbiturates as they are generally called.

I was reading the Vancouver *Sun* yesterday, and if I can make a brief reference to the issue of May 27, 1961 with respect to this matter I would mention an article by a Vancouver *Sun* reporter who visited certain places in Vancouver, bars, restaurants and the like, and purchased from people there a number of goof balls or what he identified as seconal capsules for 50 cents each. I do not want to refer to the article by reading sections from it. Generally, what he discovered was that these barbiturates were being sold somewhat secretively in the places he visited, and there was a continual reference to the need to be more secretive about it because the law was getting more tough in ferreting out those behind this trade in barbiturates or so called good balls. During the course of three hours this reporter bought 11 seconal tablets or capsules for 50 cents each from various persons. All he had to do was to make inquiries of a waiter or someone in a cafe or of some of the people who lounge around the streets in some parts of Vancouver and he had no difficulty in purchasing 11 of these tablets or vials within a period of three hours.

I think one of the reasons why there has been a larger traffic in barbiturates in Vancouver than in other parts of Canada is because of the high proportion of narcotics addicts on the west coast. Narcotics addicts sometimes use certain types of barbiturates. Narcotics addicts in the sense of those devoted to heroin or morphine or some of the more powerful narcotic drugs will take barbiturates occasionally when they are unable to get a supply of morphine or heroin or something of that kind. Barbiturates are to some degree a substitute, and taking them lessens the withdrawal symptoms which a narcotics addict experiences when he cannot obtain his normal dosage of a narcotic, or his next fix, as the expression is. The effect of barbiturates on the individual concerned is somewhat the same as the effect of morphine or heroin as far as withdrawal symptoms are concerned.

Barbiturates have an effect on the personality of the individual who takes them in somewhat the same way as alcohol affects some individuals by changing their personality and attitude from one of mildness and quietude to one of furiousness, filled with a desire to fight or destroy something. The effect of barbiturates is such that one's personality generally is changed. The effect of amphetamine is, I understand, somewhat different in this regard. There, the effect is one of producing hallucinations. I believe a

number of truck drivers resort to dexedrine or stay awake pills or benzedrine in order to prevent them falling asleep while driving trucks. But, by using these tablets, or whatever they are, they report seeing all kinds of strange objects and items on the road in front of them. According to medical opinion the so-called goof balls are as insidious and dangerous, if not more so, than narcotics themselves, which are dealt with under the Opium and Narcotic Drug Act.

There is certainly no regulation or control provided in this bill, as it exists, in respect of the use or distribution of these drugs. I have serious doubt whether it will solve the basic question in respect of the use of barbiturates. While it is true that notice of a motion appeared this morning in routine proceedings and orders of the day regarding the introduction of a bill to provide for the control of narcotic drugs, which will put into effect a policy statement made a few months ago, I expect there will be a system established involving the use of clinics, hospitals or institutions for the segregation and treatment of narcotic drug addicts. This kind of a program has been lacking in this country, as well as in other countries of the world, for many years. If the proposed policy in respect of the trafficking and addiction of individuals to barbiturates is to be similar to the program followed in respect of heroin and opium, which involves only incarceration, then I am afraid we will not solve this problem. The effect may be the emptying of our penitentiaries of narcotic addicts, by placing them in treatment centres, and filling their vacancies in the penitentiaries with addicts and traffickers of barbiturates. If that is the case, the same problem will exist, because there then will not be segregation of addicts to barbiturates and addicts to narcotics. I would hope that under the proposed bill, in respect of the control of narcotic drug trafficking, a policy will be adopted to segregate these addicts from other prisoners, and that a similar course will be followed in respect to the treatment of barbiturate addicts, and those individuals convicted of trafficking in barbiturates.

I must apologize to the minister for not being here for the whole of his opening statement. I had not expected that this bill would be reached as soon as it was. I should like to make another comment in regard to the proposed bill, and perhaps the minister will make some explanation, if he has not already done so.

I understand that when an individual is convicted summarily or on indictment, the penalty will be 18 months and 10 years' imprisonment respectively. After considering that portion of this proposed bill, I have concluded that is not the case, but that an individual convicted on indictment will be liable to imprisonment up to 10 years. That is, from one year to 10 years, depending upon the discretion of the courts. I understand the individual is also liable to a fine in addition to a term of imprisonment. I should like the minister to explain that portion of the bill, in order to clear up any misunderstanding in this regard.

There is another principle contained in this bill which I feel is rather strange and unique, considering the normal procedures of a court. The bill states that unauthorized trafficking in controlled drugs, as the bill refers to them, is illegal. However, it is my understanding that, under this bill, the possession of these controlled drugs is not illegal. If my understanding of this portion of the bill is accurate, then an individual charged with trafficking, which is the only offence in this respect, who does not plead guilty, will be tried on the same basis as an individual in possession of controlled drugs. That seems very strange to me, in view of the fact that it is not an offence to be in possession of these barbiturates. I presume there is some reason for this principle, and should like the minister to explain it for my benefit.

I understand that if a man is charged with illegal possession of drugs, the onus falls on him to establish one of two things, firstly, that he acquired the drug from a pharmacist or some authorized person; or second, that he was not in possession of the drug for the purpose of trafficking. I suggest it would perhaps be easy to prove the former; that he acquired these drugs from a pharmacist or doctor. However, for what reason could he be in possession of these drugs other than for the purpose of trafficking, unless he was a barbiturate addict? If that were the purpose of his being in possession of them, and in order to prove it, he would then have to establish his source. If he had not obtained the barbiturate from an authorized individual, he must have acquired it in an illegal manner, such as by breaking and entering a drug store, the theft of a doctor's bag, or a theft from some other place. The individual may well have purchased them from an illegal trafficker. By admitting so, he would be admitting another illegal act. I suggest this placing of the burden of proof upon the accused individual is rather an unfair approach to the problem. If the individual charged pleads not guilty to trafficking, then in all likelihood he must admit guilt in respect of another illegal act. I should like to know what benefit he will then derive from this admission?

Mr. Woolliams: Will the hon. member permit a question? I was wondering whether the hon. member had thought of the protection of the Canada Evidence Act?

Mr. Howard: Yes, I had. Since I am not a lawyer I have to take the advice of people who are lawyers. Sometimes this leads one astray, Mr. Speaker; but I have been told that the protection under the Canada Evidence Act—and I was about to come to this—applies only to protection with respect to questions asked. A person is not being asked questions under those circumstances; he is voluntarily taking action to prove his innocence. Thus I say he does not have protection under the Canada Evidence Act in this regard. When we get to this particular point what will be required will be another sort of legal fiction. We have engaged in one example of that already. The minister said that the court will proceed as if the individual had been charged with something else which is not an offence under the act. In committee we should also make an amendment bringing in another sort of legal fiction to the effect that if in the course of establishing that he had those controlled drugs not for the purpose of trafficking his responses would be deemed to be as if he had been asked such questions, and he would be given the same protection under the Canada Evidence Act as if he had been asked those particular questions.

As I say, this was the advice given to me by a member of the legal profession. I know how out of sorts those gentlemen are one with the other at times and how easy it is for them to come to a disagreement over something, particularly law, or what statute law means. I think this would be the effect of one of the principles of this legislation. If an individual were charged with an offence and attempted to prove his innocence he might incriminate himself, or might be in a position possibly to incriminate himself, depending on other circumstances, with respect to his argument of proof. I say that if this is the effect of the part of the bill dealing with the prosecution and the approach in court, then it is unique and strange and a rather dangerous way to proceed. It is something that we might deal with in detail when we get into committee on the bill. I believe it is part of the principle of the bill itself because it deals with the process used to decide whether or not an individual is guilty.

In essence, Mr. Speaker, I think the bill is commendable in the things that it seeks to do. If government policy is merely to stop at this and to take no steps in the field of segregation of those sentenced under the legislation, and no steps in the field of treatment of barbiturate addicts, as is apparently going to be done with narcotic addicts, then I think it is a failure. By this I do not mean that the bill itself is a failure, but there is failure on the part of the government to proceed fully in the direction of treatment and segregation, which is the thing that we want to get to.

If we leave the matter here, perhaps the minister will be able to clear up some of the doubts in my mind when he closes the debate, or perhaps we may have to engage in further questioning and discussion about the matter at the committee stage.

Hon. Paul Martin (Essex East): Mr. Speaker, I wish to say a few brief words on this bill at this time. I am interested in its provisions. I shall have comments to make when we come to the various clauses. I should like to assure the minister that, as the hon. member for Outremont-St. Jean (Mr. Bourque) has said, we join with him in his efforts to provide a satisfactory form of regulation with regard to the traffic in controlled drugs, which as he said exists in communities where there is an underworld.

First of all, I should like to say—and I had hoped that the minister would say this—we are especially grateful to the hon. member for Outremont-St. Jean for being almost single-handedly responsible for the introduction of this measure. It was the hon. member for Outremont-St. Jean who three or four years ago first raised this question in the House of Commons. We all recall the derision that greeted his interrogations and his remarks when he referred to this problem of the goof ball.

Oftimes individual members of parliament may feel frustrated in their efforts. They may feel they are not given an opportunity to provide constructive contributions in our deliberations and decisions. However, this is a very good example of how effective an individual member of parliament can be if he puts forward consistently a case which he sincerely believes in. I know of no finer example of achievement in this regard than the results which we see here today in the introduction by the Minister of National Health and Welfare (Mr. Monteith) on behalf of the government of a measure which has been necessitated by circumstances which were first effectively demonstrated in this house by the hon. member for Outremont-St. Jean. I am sure I have every justification for extending to him our warmest thanks and our sincerest congratulations.

I have before me:

(Translation):

La Patrie du Dimanche of February 10, 1961—

(Text):

Here is a French newspaper published in Montreal. This headline appeared in its issue of February 10, 1961, on page 17:

(Translation):

The hon. member, who also is mayor of Outremont, provoked laughter in the house in 1958 when he spoke of goof balls.

(Text):

"The mayor of Outremont provoked laughter in the House of Commons in 1958 when he spoke of goof balls." The hon. gentleman is the one who can now sit in his seat and laugh because a problem to which he attached great importance has now been recognized, and I think necessarily so, by the minister responsible in the government of Canada for the regulation and the prevention of this particular abuse.

The minister has given us a useful outline. With the general statement he has made I think we would be in full agreement. I had at first wondered why the bill was brought forward in this particular form. I had wondered why the subject had not been included in the Opium and Narcotic Drug Act, but I am satisfied that the explanation which the minister has given is one that meets the situation. He points out that the enforcement measures are the same, generally speaking, but I think there are some differences. If one will compare the enforcement provisions of the Food and Drugs Act one will find that there are some slight differences but basically, as the minister has said, the enforcement measures are the same. While this is so, the minister suggests, and I think rightly so, that since goof balls—and I prefer to use the phrase used in the bill, which is controlled drugs—are not narcotics, on that account they should be treated separately. He points out that the medical use of narcotics is different from that of controlled drugs. He indicates further that the medical profession is against the characterization of barbiturates as narcotics, and I think that the opinion of the medical profession in this regard is one that should be respected because the use of narcotics under legitimate circumstances and under the control of the skilled practitioner is altogether different from the uses which attend the employment of a barbiturate or a controlled drug.

The minister also points out that under the act dealing with narcotics the mere possession of a narcotic is a punishable offence whereas I note that in the bill, and I do not quarrel with this, the mere possession of a controlled drug is not necessarily an offence. The new section 33 (1) on page 2 of the bill deals with this aspect of the problem. That, I think, is almost in itself a good reason for the particular and special form to which the minister has resorted in this legislation.

He points out that narcotics, unlike controlled drugs or barbiturates, are not normally kept in the home, that they are under the strictest supervision of the doctor and other agencies of the public authority. He indicates as well that barbiturates are transferable from one member of a family to another, from one individual to another, in spite of the fact that the person whom the barbiturate is first given acquires it as the result of a prescription.

I am sure we are satisfied beyond doubt from what the minister has said, and particularly from the facts that have been elicited from time to time in the house by the hon. member for Outremont-St. Jean, as to the great abuse that has flowed in recent times from these kind of controlled drugs, especially, in large communities, where the extent of criminality is so often characteristic of the large urban centres on this continent. Undoubtedly the minister and his officers have given this matter very careful attention. I am sure he has acted after the closest examination of the best way to deal with this problem. I can understand very well what some of his difficulties have been because there is a fundamental difference between a narcotic and a controlled drug within the meaning of this legislation and one would not want to do injustices in legitimate situations although one is actuated, as the minister and his officials are, by the need to see to it that the greatest supervision exists not only with regard to the illicit use of narcotic drugs but with regards to the use of barbiturates or controlled drugs.

One could go over a list of many illustrations that have appeared in the press which I have in my possession and which show the extent of the degradation that has taken place recently, particularly in some of our larger centres, as a result of the clandestine use and later the open use of barbiturates by unconscionable individuals exercising influence in particular over some of our young people. This is a necessary measure at this stage and we will examine the bill clause by clause in the hope that we will enact a measure capable of arresting this problem to the extent that it is practicable and possible to do so. Once again I am grateful to the minister and the government for bringing this measure forward. I am sure I also express the gratitude and appreciation of all members of the house for the perception and persistent interest of the hon. member for Outremont-St. Jean.

Mr. C. W. Carter (Burin-Burgeo): Mr. Speaker, I should like to commend the minister for bringing forward this legislation to

cope with this problem and at the same time I should also like to record my appreciation of the untiring efforts of the hon. member for Outremont-St. Jean (Mr. Bourque) to keep this problem before the house and to have some action taken. As I listened to the minister opening the debate two points came to my mind which I should like to put before him for his consideration when he replies.

We have recognized that a problem exists and we are attempting in this legislation to find a solution to the problem by the indirect method, that is, by eliminating the illegal traffic in the drugs involved. The first thought that came to my mind as I considered the matter was that the illicit trade did not begin with the problem. The problem started in some other way and the illicit trade grew out of the problem. As more and more young people became addicted the demand for drugs of this kind grew and the illicit trade grew out of that demand. It is true that we are perhaps going to be very successful in cutting off the illegal sources of supply but that does not automatically cut off the demand. The demand has been created and will be there, so we are now faced with two problems, I believe.

The first problem is, what are we going to do with those people who have become addicted and can no longer get the drugs to meet the demands of their addiction? Obviously they will need some sort of special treatment, and I am wondering whether the minister has given any thought to that part of the problem and whether any research has been carried out as to what kind of treatment is necessary and how it should be provided. The second thought that came to my mind was that this problem started in a very simple way with drugs that could be acquired in a legal manner and although we are attempting, and I think we will perhaps be very successful, to eliminate the illegal sources of supply and to make it more difficult to obtain these drugs from legal sources the problem will not be entirely removed. I think it is reasonable to assume that young people who have become accustomed to this kind of addiction will experiment with other drugs which perhaps can be obtained legally.

It was my impression that this problem started first with simple aspirin and coke. I have been told that, but I do not know how valid the statement is. There are many drugs that are available over the counter without a prescription which possibly could be used as substitutes for the drugs named in this bill.

One other thought which came to my mind was whether any research had been conducted with respect to drugs that might be obtainable without a prescription which could possibly be used as substitutes for the drugs which we are now seeking to control and to eliminate, and which are being supplied from illegal sources.

Mr. H. M. Batten (Humber-St. George's): Mr. Speaker, I should like to make a few brief comments on this bill. First of all, I should like to say that I agree entirely with the principle of this bill. I believe that in a number of centres across this country we have had a goof ball problem among our younger people which, if allowed to go uncontrolled, would not only reach the serious proportions it has reached at this particular time but would become much more serious in areas where the problem exists now and would also spread to a number of other areas.

I suppose that before the minister introduced this bill, most of us thought the use of these barbiturates could be controlled by adding these particular drugs to the narcotics act. The explanation the minister has given is one which I appreciate, and I think we can easily understand that this problem could be better handled and better solved by having a separate bill, as the minister has done. Over the years we have heard the hon. member for Outremont-St. Jean (Mr. Bourque) complaining about the use of goof balls in the area from which he comes as well as in other areas. It was quite evident he took a much more serious view of the problem at that time than many other people. As a result of his experience with the problem and because of his interest in young people, he persisted and we have before us today a bill which I hope will control the use of these drugs by all people, particularly by the young people.

It is felt that we shall be able to effectively control the use of these drugs by having control of importation, distribution and retail centres. It will be necessary for people in these three different branches of the drug business to keep the necessary records which the bill will demand of them. I hope that this, in some way, will control release of these drugs. I would hope too, Mr. Speaker, that this bill will receive examination in the committee when the different items will be examined, and I would hope that it would be given speedy passage through the house so that its effect will be felt across this country as soon as possible.

Mr. Deputy Speaker: I must inform the house that if the minister speaks now he will close the debate.

Hon. J. W. Monteith (Minister of National Health and Welfare): I shall be very brief

at this moment. I should like to say I am very pleased at the response of hon. members generally to the bill. As we go through the various clauses of the bill, I shall be happy to deal with the requests for information as they arise.

I would point out to the hon. member for Outremont-St. Jean (Mr. Bourque) that he said he was pleased to see these goof balls would now be taken out of the act. Actually, this is a separate section of the same act. Our own inspectors will continue to ensure compliance with the terms of the act, and this will be done in conjunction with the R.C.M.P. It is hoped that this bill will bring a stop to such instances as were mentioned by the hon. member for Skeena (Mr. Howard) when he was talking about the article in the Vancouver *Sun*. I emphasize that this bill makes trafficking and possession for trafficking an offence, but does not make possession of the drug itself an offence. I do not believe there is much more I need to say at this moment, Mr. Speaker.

Before I resume my seat let me say I noticed that the hon. member for Burin-Burgeo (Mr. Carter) asked a couple of questions concerning research. I would point out that it is felt at the moment that only these three groups of drugs listed in the schedule are the dangerous ones for this purpose. The regulations will provide that, as time goes on, if other types of drugs are found which should be under the same type of control, then this will be done.

As I say, I am very pleased indeed at the response of hon. members to the bill.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Flynn in the chair.

On clause 1—*Exports.*

Mr. Martin (Essex East): This clause, Mr. Chairman, of course incorporates, so far as my present question is concerned, the existing provisions of the Food and Drugs Act, together with the amendment that is provided for in line seven. The section of the act as it is, and as it is now amended, does not apply to exported products where certain conditions are complied with, namely the overprinting of the word "export".

Does the minister feel that we should be satisfied with the export of a product from Canada without requiring the same conditions in relation to that product when it is manufactured for consumption and sale in Canada?

Mr. Monteith (Perth): Well, Mr. Chairman, all we are doing here is bringing in part III of the act. Under what will be section 30 of the act, as will be noted, the new words are "other than a drug defined as a controlled drug by part III". The Food and Drugs Act is going to carry on in exactly the same way except that these controlled drugs are dealt with in a separate part. There is no change whatever in the Food and Drugs Act.

Mr. Martin (Essex East): Yes. That is what I said in putting my question. However, my question went further than that. Why do we not require with regard to export products the same rigorous standards that we require with regard to products that are manufactured for consumption in Canada?

Mr. Monteith (Perth): We require that the exported article comply with the law of the country to which it is being exported. This may conflict with our law. In the case of controlled drugs this could be a leakage.

Mr. Martin (Essex East): It could be a leakage? Is that what the minister said? I did not hear what the minister said.

Mr. Monteith (Perth): There could be a leakage from the legal manufacturer to the illicit traffic if we did not have these companies under licence. We are licensing the manufacturer and the distributor in an effort to control the manufacture and the distribution of these substances so that we shall be in a position to know where the product goes, and so that we can keep control of it or of the records.

Mr. Caron: Will manufacturers be obliged to keep records of what they have and what they sell?

Mr. Monteith (Perth): Yes.

Mr. Howard: My question is only on a procedural point. I notice that clause 1 runs for a number of pages and that really clause 2 and clause 3 are relatively minor ones. In clause 1 there are six or seven separate sections that are proposed to be added. For the purpose of orderly discussion I wonder whether we might not proceed with discussion on the basis of the proposed sections contained within clause 1 rather than wander all over the field.

Mr. Monteith (Perth): Yes. I should be very happy to adopt that suggestion.

The Chairman: Is it agreed that we should proceed on clause 1 by calling each new section?

Some hon. Members: Agreed.

The Chairman: Shall section 30 in clause 1 carry?

Some hon. Members: Agreed.

The Chairman: Shall section 31 in clause 1 carry?

Mr. Howard: I am sorry that this bill was not introduced yesterday. I wonder whether the minister would mind relating to the committee the definition of "possession" as contained in the Criminal Code so that we shall know what it means in respect of this bill.

Mr. Monteith (Perth): We are making the Criminal Code definition of "possession" applicable in this bill. This is the same definition as that in the narcotic drugs legislation. It is a rather lengthy description. According to the Criminal Code, "possession" is defined as follows:

3. (4) For the purposes of this act,

(a) a person has anything in possession when he has it in his personal possession or knowingly

(i) has it in the actual possession or custody of another person, or

(ii) has it in any place, whether or not that place belongs to or is occupied by him, for the use or benefit of himself or of another person; and

(b) where one of two or more persons, with the knowledge and consent of the rest has anything in his custody or possession it shall be deemed to be in the custody and possession of each and all of them.

It results in uniformity.

Mr. Howard: Yes. I think perhaps the minister said that this is also the definition used in the Opium and Narcotic Drug Act. This answer clarifies the point I was getting at.

(Translation):

Mr. Deschatelets: Mr. Chairman, section 31 of Bill No. C-99 gives the definition of "controlled drug". I will take the liberty to make a suggestion here.

We are dealing with a bill aiming to solve a problem that we think serious.

Last Saturday, I believe, the hon. member for Fraser Valley (Mr. Hicks) asked what is it that we are now calling controlled drugs, or commonly "goof balls"?

I hope the minister, in order to give this legislation all the effect we want it to have, will initiate in co-operation with the Minister of National Revenue (Mr. Nowlan), an education compaign to make the public aware of this drug which constitutes a real problem.

I hope also that an R.C.M.P. officer will then be able to give the public all necessary information on the harmful effects of this drug.

I suggest that it is not enough merely to pass legislation; the public must be made aware of the dangers of the use of that drug.

So, I hope the minister will carry out this suggestion as soon as this bill is adopted, to organize television programs to emphasize the dangers of those drugs, as well as the control facilities provided by this legislation, and the cures.

I believe it is much easier to cure those who use these drugs than those who are addicted to ordinary drugs.

Mr. Chairman, I now close my remarks. I hope the minister will give them consideration.

(Text):

The Chairman: Order. It being five o'clock it is my duty, pursuant to section 3 of standing order 15, to leave the chair in order to permit the house to proceed to the consideration of private and public bills.

PRIVATE BILLS

CANADIAN PACIFIC RAILWAY COMPANY

Mr. Lawrence E. Kindt (Macleod) moved the second reading of Bill No. S-17, respecting Canadian Pacific Railway Company.

He said: Mr. Speaker, on behalf of myself and the hon. member for Lethbridge (Mr. Gundlock) I should like to thank all members of this house for their forbearance and for the privilege of moving the second reading of Bill No. S-17, respecting Canadian Pacific Railway Company.

The purpose of this bill is to authorize Canadian Pacific Railway Company to construct a branch line of railway off its Brocket southerly branch in the province of Alberta to a gas-processing plant being constructed by Shell Oil Company of Canada Limited. Parliamentary authority is necessary because the power of the Board of Transport Commissioners for Canada to authorize the construction of branch lines under the Railway Act, section 183, is limited to lines not exceeding six miles in length.

The length of this particular branch line is 10.8 miles, and it will start about 1.5 miles north of Drywood which is the present site of the British American Oil Company plant south and east of Pincher Creek, about 17 miles.

To those who are not familiar with the area, let me say that the new Shell plant which is contemplated and on which construction has started is approximately 14 miles south of Pincher Creek and eight to ten miles west of the present British American Oil Company plant. This British American Oil Company plant supplies the methane gas which to a large extent is transported by Trans-Canada Pipe Line to Ontario to warm Ontario homes. In other words, this is the area from which the gas going to Ontario, or a large part of it, originates. This new Shell Oil plant will also be processing various types of hydrocarbons, and for the benefit of those who are not altogether familiar with the petrochemical industry, allow me to

spend a moment or two dealing with the chemical products which are derived from natural gas. Let me say first of all that if you take the total gas produced in the province of Alberta, about 10 per cent is dry natural gas or methane. It comes out of the ground that way. Ninety per cent is wet natural gas and this has to go through a scrubbing plant and be processed. In that processing, methane is taken off, and it is methane which is put through the pipe line to Ontario. This is the gas which goes into our homes as fuel.

Then there is ethane, propane, butane and hydrogen sulphide, just to give hon. members some idea of the end-products which are derived from these gases. Take methane, for example. From methane are produced rubber additives, carbon black, nitrogen fertilizer, antifreeze, plastics, synthetic fibres such as dynel and orlon, explosives, soil conditioners and so on.

Let us look at some of the end-products of ethane. There is first of all, polyethylene plastic, so important to the building trade, synthetic fibres such as dacron, synthetic rubber and detergents, antifreeze and so on.

Now we come to propane. The end-products derived from propane include explosives such as t.n.t., synthetic detergents, films for cameras and for the motion picture industry, lacquers, and so forth. Turning now to butane we have synthetic rubber, nylon, oil additives, synthetic resins and so forth. Lastly, just to touch on some of the products derived from hydrogen sulphide may I say that this new Shell plant which is to be built will produce in the neighbourhood of 1,000 tons per day of sulphur. This is equivalent to about 17 carloads of 60 tons per car, or roughly a small 17-car trainload of sulphur a day. In addition, this plant will produce 350 tons of liquid gases which will be transported largely by pipe line. This petrochemical plant and the hydrocarbons which are produced there will provide a raw material source for over 10,000 end-products. I wanted to mention these few things about the petrochemical industry in the west to indicate the necessity for the construction of a railroad line to serve this particular plant. I might add that about 23 per cent of our sulphur requirements are produced in Canada. One petrochemical plant at Medicine Hat uses 135 tons of sulphur a day to make sulphuric acid and, finally, to produce fertilizers with an ammonium base.

This railroad spur line 10.8 miles long is needed to operate the Shell plant economically. Transportation by highway is not practicable because during the winter in that part of the country the snow is deep, and in the spring when the frost is coming out of the ground there is a tendency for roads to heave. There would be a considerable loss of time in consequence and, in addition, any road which might be expected to stand up to the heavy traffic would be very expensive to construct and maintain. The railroad will help the C.P.R. to produce revenue and it will help the Shell Oil Company of Canada by providing transportation for its products and also in getting building material on to the site to build the plant. The Canadian Pacific Railroad has right of way options already completed. The Shell company has sufficient raw material to last approximately 50 years. Considerable employment will be provided by the building of this line, and it will be available as soon as this house can pass the present measure which is the green light needed for the company to go ahead with construction work.

I want to say one word about the urgency of getting this railroad under construction. There is nothing controversial about the bill, but it has been delayed and delayed by the procedures of this house. What is happening is that these people who have only a short period in the summer in which to construct this railroad are being denied the full opportunity to take advantage of the open season of the year during which construction can go forward. Delays in the house are holding it up.

Mr. McIlraith: There were no delays.

Mr. Kindt: I may say it is not the fault of the C.P.R. that this bill is delayed in reaching the floor of this house. Let me clarify that situation. The energy board which was set up by the parliament of Canada and which has done an excellent job in determining the export of gas had to go through all its processes of deciding whether or not the gas could be exported. This had to be done before the Shell oil company could decide to build a plant south of Pincher Creek. The Shell company had to obtain a decision from the energy board before they could set up plans for this $20 million plant south of Pincher Creek. How could the Canadian Pacific Railway, or any other group, come before this house making an application for the passage of a bill authorizing the building of a railway line in this respect until the Shell oil company had made its decision? If you follow my line of reasoning, you will see that the C.P.R. was held up by the decision of the Shell oil company and that the Shell oil company was held up by the decision of the national energy board. The national energy board, of course is an agent of the government of Canada and although I do not wish to

attach blame to anyone I certainly feel that neither the C.P.R. nor the Shell oil company is to blame for any delay.

All I am suggesting is that we have here a bill that is urgent, and which should be passed immediately, but which has been held up for three weeks to a month by the procedures of this house. Since this bill is not controversial, I hope that this house will deal with it expeditiously. If the project involved the construction of only six miles of line, construction could have proceeded under the authorization contained in section 183 of the Railway Act. All that is involved here is the construction of a 10.8 mile spur to be built by the Canadian Pacific Railway under the authorization of the board of transport commissioners. The construction of this line cannot begin until this bill receives third reading. I should hope that this house, with its usual sound judgment, will expedite the passage of this bill, which I am sure will be appreciated.

Mr. Walter Pitman (Peterborough): Mr. Speaker, we in this group are very interested in this bill and can assure the member for Macleod (Mr. Kindt) that we have no desire whatever to hold it up.

I should like to thank the hon. member for Macleod for the information he gave this afternoon. It has been of particular value to those members who represent ridings in eastern Canada. We are always interested in receiving information in respect of the production of gas in the Alberta region, and the information given in this regard by that hon. member has certainly underlined the sense of urgency which he has indicated.

I was somewhat concerned regarding his meaning when he said that it was delayed by the procedure of this house. I understand the bill was introduced in the other place on April 27, and has progressed at a speed which I imagine is normal. Perhaps the hon. member for Macleod would indicate further what he meant by the delays he suggests have taken place.

The purpose of this bill is quite clear. It is simply to construct an 11 mile spur line from a C.P.R. spur line, which already exists, from a gas well property of the British American Oil Company to the Shell Oil Company. We are very interested in this project because it involves a railway line leading to a field of natural resuorce in this nation. As will be appreciated, we in this group are very interested in natural resources, and are very pleased that this line will run to a gas processing plant, and that this natural resource of Canada is to be processed in Canada by Canadians for Canadians. That is one of the reasons why we greet this particular bill with considerable enthusiasm.

We note that, unless this kind of transportation is provided, it is almost impossible to get these by-products to market. It is quite evident that road conditions in Alberta, during winter months, make highway transport impossible, and air transportation for this purpose is far too expensive. We sincerely hope this railway line will play an important part in the development of the province of Alberta.

We note also, especially after the remarks of the hon. member for Macleod, that there is a tremendous need for the by-products which this company will proceed to process as soon as the plant is built, and the railway spur constructed. It is our understanding that this company will eventually produce many thousands of tons of sulphur. We hope, moreover, that this will be a paying line.

We are about to take a new look at the whole spectrum of Canadian transportation, with special consideration regarding the national problem in respect of railway transportation. The suggestion has been put forward that railway transportation must begin to cut down, and we must concern ourselves only with trunk lines. I am sure all members of this group expect the railway companies in Canada to continue to build lines to the locations of national resources in this country, and that this will be one of the major concerns of the directors of the Canadian Pacific Railway, as it is of the directors of the Canadian National Railways. As long as this reaching out for resources continues, we can be assured that employment opportunities will continue to increase.

The fact that this bill has reached the floor of this house indicates the complexity of our economic system, in that even the Canadian Pacific Railway, a so-called private enterprise company, must bring its plans before this house for approval. We realize, however, that the resources of this nation are being marshalled in support of this railway line, and in support of all others.

The hon. member mentioned that employment would be created through the construction of this line. We must question this statement, however, because we noted from both the speech he made this afternoon, and the explanation given previously in respect of the bill, that employment will be provided by the construction of this line for only 25 individuals, which indicates to us the extent to which machinery is replacing manpower in the construction of projects such as railway lines. However, we hope that employment will result in yet another way, as a result of the processing plant being constructed, and through the long term transportation of these materials to areas where they will be of use to the citizens of Alberta and to the nation

as a whole. We hope this will provide employment in some measure, and a boost to the economic growth of our society.

Mr. D. R. Gundlock (Lethbridge): Mr. Speaker, I do not wish to take up any extra time in this house, although I should like, by way of emphasis, to reiterate some of the things mentioned by the hon. member for Macleod (Mr. Kindt).

The hon. member for Peterborough (Mr. Pitman) suggested that the construction of this line would employ only 25 men. In this regard I should like to remind him that the construction of that line represents only one stage of the project. I understand one other stage of construction will employ 100 men, and when the whole project is in operation, many more men than that will be employed. As a matter of fact, the laying of the road is to be done by contract and will provide work for approximately 25 men, but the construction of the road itself will employ 100 men for approximately six months. Of course, an additional number of men will be employed by the Shell oil company.

By way of emphasis, I should also point out the great and immediate need of the nitrochemical plant at Medicine Hat for sulphur in particular, in the production of a fertilizer with an ammonium base, as well as the immediate need in respect of those other things previously mentioned by the hon. member for Macleod. I suggest that everything that can be done to speed the passage of this bill authorizing the construction of this line should be done, particularly because of the very short season involved.

I do not have much experience in this house and certainly I am not greatly familiar with its proceedings, but I am sure there is a general feeling of co-operation in respect of the passage of this bill, for which I express my appreciation to all hon. members. I should like to join with other members in urging that this bill be dealt with, and put on its way, as quickly as possible, so that the construction of this line may commence at the earliest possible moment.

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to say just a word or two in regard to this bill. I am sure all hon. members appreciate very much the explanations given by the hon. members for Macleod (Mr. Kindt) and for Lethbridge (Mr. Gundlock) in respect of its purpose, and their emphasis regarding the need of speedily dealing with the bill. I hope I am incorrect in thinking that the hon. member for Macleod made reference, on at least one occasion, to delays caused by the proceedings of this house. If that hon. member actually used those words, I hope he did not do so in a sense of criticism of this house itself.

Mr. Kindt: May I correct the statement which the hon. member has just made. What I had reference to in the matter of delays was the fact that private bills come up only once a week. They are dealt with for one hour once a week. I was not referring to any delays on the part of any group or any individuals in this house. I was referring to the order of business under which such a bill proceeds before it can become law.

Mr. Howard: That is fine; I was sure that this is what was meant, Mr. Speaker. The bill was introduced in the house on May 5, having come over from the Senate. That was a Friday. On the following Tuesday, May 9, we dealt with a supply motion. There was a supply motion before the house which overrode the private members' hour from five to six, and it was not possible for the bill to come up at that time. This is the third private members' hour on a Tuesday that we have had since the particular bill was introduced, and there were other matters before it. I can appreciate, when only one hour is given to a discussion of those bills, that it is somewhat difficult to proceed with everything that hon. members wish to have proceeded with, and to do it within that one hour.

The request of the hon. member that we waive the rules, following second reading which require that such bills go automatically to a committee and then proceed in committee of the whole and following that give unanimous consent to third reading is a somewhat far reaching request. Perhaps it should not be done at this stage, but I think one should express objection because not much is known about the bill at the present time. I think we should express some concern about following this particular course with respect to a private bill dealing with a private company. We know the reason for the rule, Mr. Speaker. The rule which states that a private bill goes automatically to an appropriate committee is one which recognizes that private citizens who are not members of parliament and are not able to appear before parliament or before the committee of the whole, can go to one of the standing committees of the house and present their ideas to hon. members in a formal way. It would seem to me that to give consent out of hand, as it were, to waive the rules is something that would not be correct. I think it requires very careful examination. There is one way in which we might even help in that regard in getting the opinions of the railway officials themselves

and perhaps of the Shell oil company. At this time I am not saying that the hon. member for Macleod did not adequately perform his function as sponsor of the bill. I think he did a commendable job and gave a thorough explanation of what would occur once this bill was passed.

The bill was referred to the Senate standing committee on transport and communications. I assume that the railway officials appeared before that committee and answered questions, as is done on other occasions with respect to other bills. They perhaps answered questions which were in the minds of the members of the Senate when the bill was given second reading. Sometimes we in this house, Mr. Speaker, look to the proceedings of the other place and of the committees of the other place for explanations and information. In this instance we are prevented from doing that because no evidence was taken down and transcribed and printed by the standing committee of the other place on transport and communications which dealt with this particular bill. I am not saying this by way of criticism of the other place or of the committees of the other place; I am merely saying that normally we might look to the proceedings there and get some explanation and some answers to some of the questions that might be in our minds. But we are not able to do this because evidence was not taken down and transcribed in the committee of the other place.

There are one or two questions in my mind which the hon. member for Macleod may be able to clear up when he closes the debate. I believe I am correct in saying that he said that about 10 per cent of the gas was dry, and I gather from this that 90 per cent of the gas in that part of the province is considered to be wet gas. I do not know whether he was talking about the whole province. I understand that by this particular legislation the Shell company will be serviced by this proposed railway spur, and the company will be processing wet gas from that general area. In this wet gas there are large quantities of sulphur, propane, butane and the like. Remember, Mr. Speaker, that when we get into the field of propane and butane we have in mind another private bill dealing with a pipe line company which is before the committee at the present time. I do not want to enter into a discussion of it because it is another subject of debate. I merely say there is a similarity between the two in that one has to do with exporting certain products and this one, as I understand it, has to do with a rail line to a plant which will be processing these wet gases and producing some useable commodities in Canada rather than exporting raw material.

I understand that the plant mentioned by the hon. member for Macleod which is to be built will have a production capacity of 1,000 tons of sulphur a day. In 1956, when we did not have sufficient production facilities, apparently, we imported some 270,000 tons of sulphur. If this Shell plant, which is to be serviced by the proposed rail spur, should produce 1,000 tons a day and operate on a seven day week basis the full 12 months of the year its total annual production would be 365,000 tons, which is a bit more than the amount we imported into Canada in 1956, and a bit more than our present consumption, judging by what we imported in 1956. At that time we had an annual consumption of about 350,000 tons of sulphur. This plant which is apparently going to produce 1,000 tons a day, will be, I gather, the largest sulphur production plant in Canada. Apparently our past production in Canada was 23 per cent of our consumption but there is nothing with which to equate 1956.

I would hope that the Shell Oil company has some contracts or other companies have options for the purchase of sulphur. If we are going to process this wet gas and produce sulphur from it in the amount of 1,000 tons per day, which on a yearly basis is more than our annual consumption and far more than our current annual production, I would hope that the sulphur will be sold and used in Canada by other manufacturers rather than being exported in its raw state, as it were, from our country to other places for other purposes as happens with other commodities we produce.

When the hon. member for Macleod closes the debate on second reading I would appreciate it very much if he would clear up the point as to just what markets Shell Oil has. I realize that this matter is something apart from the bill before us in which the Canadian Pacific Railway Company seeks permission to build 10.8 miles of rail line, but the hon. member for Macleod mentioned the Shell Oil company, its prospective production and so on and if he has that information I think it would certainly be helpful to the house.

Along the same lines, I think it would be helpful if the hon. member could indicate what existing markets Shell Oil has for the other by-products, I believe they might be called, developed in the processing of the wet gas. He mentioned the propanes and butanes that could be developed. If he has the information, I should also like the hon. member to indicate where the market is that Shell Oil has for the gas that will be produced if in fact Shell Oil is going to be the distributing firm.

I think these are all important matters in the light of our ideas and concepts with regard to the development of industry in Canada and the using of our raw materials in Canada for Canadian production and consumption. Because I think everyone in the house feels the same way, I think it is important that we understand just what Shell Oil intends to do with these products once the C.P.R. has constructed the rail line to the plant and Shell Oil is able to ship out the products. What markets will Shell Oil have? I think this is a very important question and I should like to see it cleared up in as much detail as possible before we consider whether or not we should waive the rules and proceed with the other stages of the bill in the house without referring it to a standing committee.

Mr. G. J. McIlraith (Ottawa West): Mr. Speaker, the bill before the committee is by itself a very simple one in that the Canadian Pacific Railway Company is merely asking for authority to build a railway line approximately 11 miles in length. A bill is necessary because of the provision in the Railway Act that the authority of parliament is required for the construction of any branch railway line more than six miles in length.

But the bill is an interesting one in that it appears to be an integral part of a development in the west, one that I think should commend itself to all hon. members. I was quite sympathetic to the hon. member in his request, as I understood him, that the house concur in moving the bill forward through all stages today and if he wishes to put that proposition to the house in a formal way at a later stage I for my part am quite agreeable to such a suggestion.

I took the trouble to try to inform myself as best I could with respect to the development that will be consequential upon the C.P.R. being granted authority to build this branch line and upon the completion of the line, and while this matter may not be strictly relevant to the discussion of whether or not the bill should be approved it certainly is interesting. We have here a recently discovered natural resource in this country where the proven reserves of gas are estimated to be sufficient to supply the needs of the company proposing to develop them for 50 years at the contemplated rate of development. We have the assurance that the company proposes to commence development immediately the railway line is built.

It seems to me that all in all this is exactly what is needed at this time when all hon. members are concerned about the necessity of developing our country, providing employment for our manpower and using our resources in such a way that we will terminate the existing unemployment. Therefore this development is wholly desirable. I content myself simply by indicating concurrence in the bill on my own behalf and on behalf of those immediately around me.

Mr. Speaker: I must inform the house that if the hon. member for Macleod speaks now he will close the debate.

Mr. Lawrence E. Kindt (MacLeod): Mr. Speaker, I want to thank hon. members who have spoken to the bill for their sympathetic understanding of the situation in which we find ourselves. I was particularly interested in the questions asked by the hon. member for Skeena concerning wet gas and dry gas. I mentioned that 10 per cent of the gas in the province of Alberta generally was dry gas, but in the field south of Pincher Creek where the Shell plant is located, it is 100 per cent wet gas and the gas processed there will be wet gas.

As to the markets for sulphur, let me say that sulphur is exported to world markets through the bulk loading facilities at Vancouver to some extent. It is shipped to Italy and other countries of the world where it is one of the principal ingredients in the production of synthetic fibres. In other words, it is impossible to produce synthetic fibres without the use of sulphuric acid. A great deal of sulphur is shipped into the Canadian shield region of our north country where sulphuric acid is needed to separate certain minerals from the rock formation. It is also used, as I have mentioned, in the production of ammonium-base fertilizer at the plant at Medicine Hat. It is also shipped to other parts of the world where there are other fertilizer plants. It is used in the production of storage batteries.

We are dealing with an extremely complicated situation in that most of the various products to be shipped such as ethane, propane, butane and hydrogen sulphide, when in the form of liquid gases, are shipped by pipe line.

Now, these gases are a drug on the market. It is difficult to get rid of them. It is felt that there is a market in the United States for some. We have an abundant supply. In fact, we have such a supply of these particular by-products that it is impossible to utilize them in Canada for petrochemical purposes. In other words, if we were to set up petrochemical plants we would have an untold number of years ahead of us of utilization of these by-products. In addition, these by-products which I have mentioned, ethane, propane and butane as well as certain other hydrocarbons, can be obtained from the

petroleum industry. They can also be obtained from coal, and we have over seven per cent of the coal supply of the world in southwestern Alberta.

What I wish to emphasize is that these particular hydrocarbons are in surplus supply. They are usually conveyed to market by pipe line, and the Aurora pipe line was one of the means by which it was hoped a certain amount of them would be transported across the line. I am not going to get into a discussion of Aurora pipe line. I want to avoid that. But I do want to say, in so far as the market situation is concerned, that where there is such an abundant supply, the practice in the industry is to apply to the conservation board of the province of Alberta to have certain of the gases flared. We do not want that if we can possibly find markets. Let us therefore find markets and utilize these products.

In closing the debate, I should like to urge upon you the thought that there is a precedent for this particular bill. I should like to see it given passage here today. I have already impressed upon hon. members the urgency of moving the bill through the house as quickly as possible. The bill has been cleared by the Senate and we have a record of the evidence given there. I have tried to give hon. members every bit of detail. There is nothing to cover up, there is nothing to hide. The bill relates simply to the construction of 10.8 miles of a branch line off another branch line to allow this company to go ahead with its plans. There is no great, deep principle involved, simply common, ordinary horse sense in order to get this project under way and to get things moving in that part of the country.

Motion agreed to and bill read the second time.

Mr. Lawrence E. Kindt (Macleod): Mr. Speaker, I understand that a few years ago the British-American Oil Company received consideration similar to that which I am going to request. I should like to move that, notwithstanding standing order 105, unanimous consent be given to referring this Bill No. S-17, to the committee of the whole.

Mr. Speaker: The hon. member will require unanimous consent before such a motion can be entertained. Standing order 105 requires that every private bill, when read a second time, be referred to one of the standing committees. This particular bill would be referred to the standing committee on railways, canals and telegraph lines.

Standing order 102 reads:

> No motion for the suspension or modification of any provision of part II of the standing orders applying to private bills or to petitions for private bills shall be entertained by the house until after reference is made to the committee on standing orders, or to one of the committees charged with the consideration of private bills,—

There are, therefore, two standing orders standing in the way of the motion. However, as everyone knows, the house is master of its own procedure. If unanimous consent were given to the hon. member to move the appropriate motion, then the bill could be advanced.

The question is whether the hon. member for Macleod (Mr. Kindt) has unanimous consent of the house to move the suspension of the two standing orders in question in order to advance this bill to committee of the whole house.

Mr. Howard: Before it is agreed, I think it should be clearly understood this is in no way to be considered as any sort of precedent of which advantage can be taken in future proceedings.

Mr. Speaker: I take it the hon. member is consenting, subject to this caveat.

Is it agreed that the hon. member has unanimous consent to move this motion?

Some hon. Members: Agreed.

Mr. Speaker: Perhaps an appropriate motion would be as follows:

> Mr. Kindt, seconded by Mr. Gundlock, moves that the said bill be considered forthwith in committee of the whole house.

Is it the pleasure of the house to adopt the motion?

Motion agreed to and the house went into committee thereon, Mr. Flynn in the chair.

On clause 1—*Line of railway authorized.*

Mr. Herridge: I do not wish to delay the passage of the bill. I listened with great interest to the eloquent appeal for the building of 11 miles of steel. I want to come back to the railroad now. Will this 11 miles of siding, as it is called, serve other shippers if it should happen that other natural resources are discovered or agricultural products are available for shipment? Will this railroad be a public utility, in other words? Or will it only be a siding? There is a difference between the two in so far as restrictions are concerned. Will there be any passenger service on this approximately 11 miles of railroad? Have easements been obtained and settled with all those persons whose land this railway crosses and have the crossings of rights of way been sanctioned by the board of transport commissioners?

Mr. Kindt: With regard to the last question, I understand that the crossings have been cleared with the municipalities and with the board of transport commissioners as well

as with the provincial highways department. In so far as the highway south of Pincher Creek is concerned, there is to be an overhead bridge and not a level crossing.

With reference to passenger service on the line, I may say it is only a spur line. I understand that there was a passenger train run down there on an excursion trip carrying a number of the officials of the B-A plant. Perhaps a similar use will be made of the railroad from time to time. I do not believe that passenger service up to Brocket would be a matter for consideration.

In so far as the public utility aspect is concerned, I can assure the hon. member after discussion with the Canadian Pacific Railway officials that if they can make a dollar out of transporting any products over that line they are going to do so.

Clause agreed to.

On clause 2—*Time for completion.*

Mr. Herridge: Can the hon. member explain the reason for this clause? It says:

> If the construction of the said line of railway is not commenced within a period of two years or is not completed and put in operation within a period of five years after the passing of this act, the powers of construction hereby conferred upon the company shall cease and be null and void as regards so much of the said line of railway as shall then remain uncompleted.

Why is that clause included? It seems rather unusual.

Mr. Kindt: That is the standard clause that is put in all bills of this type coming before parliament. While that clause is put in there, the only thing it amounts to is this. The C.P.R. has the intention of getting this railroad built this summer or before the snow flies this fall. But this is one of the clauses that are put in bills of this type, as will be seen by the hon. member if he looks at other bills. That is standard procedure.

Mr. Howard: I understood the hon. member to say that this is the standard clause that goes into any bill of this nature for the building of a railway line. But is this so with regard to all lengths of line? Suppose the proposed railway line were intended to take 10 years to construct. Are the times different?

Mr. Kindt: It is possible that those drafting the bill might vary the time mentioned in this clause to fit the circumstances. But as I have said this is a 10.8 mile railroad spur line and it is to be built very soon. I checked with the board of transport commissioners on the point raised by the hon. member and the answer they gave me is what I have transmitted to the hon. member for Kootenay West.

Clause agreed to.

[Mr. Kindt.]

Preamble agreed to.

Title agreed to.

Bill reported.

Mr. Speaker: When shall the bill be read a third time?

Some hon. Members: Now.

Mr. Speaker: Now, by unanimous consent.

Mr. Kindt moved the third reading of the bill.

Motion agreed to and bill read the third time and passed.

NATIONAL MORTGAGE CORPORATION OF CANADA

On the order:

> Second reading of Bill S-16, an act to incorporate National Mortgage Corporation of Canada.—Mr. Morton.

Mr. M. D. Morton (Davenport): Mr. Speaker, a number of hon. members have asked that they have the opportunity to discuss this bill and have indicated that they would like me to ask that it stand with the consent of the government so that we would have a full hour at the next period at which these bills come up for consideration.

Mr. Speaker: Is it agreed that this item stand at the request of the government?

Mr. Churchill: Agreed.

Order stands.

AURORA PIPE LINE COMPANY

The house resumed from Tuesday, May 16, consideration in committee of Bill No. S-2, to incorporate Aurora Pipe Line Company—Mr. Woolliams—Mr. Flynn in the chair.

On clause 1—*Incorporation.*

Mr. Howard: This is one of those bills that you lose track of once in a while because other proceedings intervene. Questions are raised and some two or three weeks later you get an opportunity to see whether or not the particular questions have been answered. At an earlier stage in the discussion of this particular bill I raised a number of points which have not yet been clarified, to my mind. I think they should be clarified and explained and that adequate information should be given before we proceed further with this bill.

There has been a great deal of discussion about the ownership of this company and letters have been written by Hudson's Bay Oil and Gas Company Limited officials about the ownership of this company and the distribution of the shares as between Canadian citizens and non-Canadian citizens. The question is what is Continental Oil's position with

respect to its ownership of Hudson's Bay Oil and Gas. It will be recalled that Continental Oil is a United States company and that it holds, or at least did so at the time this matter was discussed earlier—there may have been some slight change since that time—67.77 per cent of Hudson's Bay Oil and Gas Company. Hudson's Bay Oil and Gas submitted some information with respect to Canadian ownership which, if I recall it correctly, amounted to some 2.96 per cent; I refer to individual Canadian ownership in Hudson's Bay. What I should very much like to know is this. I should like to have some confirmation of it from Continental Oil or from someone who can obtain the information from them or from Hudson's Bay Oil and Gas Company. Has any information been given to that company by its parent owner? As to Continental Oil which now owns 67.77 per cent of Hudson's Bay which owns Aurora Pipe Line Company which is seeking permission to build this pipe line under the bill, is it the intention of Continental Oil to dispose of its ownership of these shares or its percentage of shares in Hudson's Bay Oil and Gas Company? If we can get some information with regard to that matter, I think it may help a great deal in resolving this question of foreign ownership of a company which will own Aurora or Canadian ownership.

The Chairman: I am sorry to interrupt the hon. member but I must inform him that it is six o'clock.

Mr. Howard: So soon?

Progress reported.

FOOD AND DRUGS ACT

AMENDMENTS RESPECTING CONTROL OF BARBITURATES

The house resumed consideration in committee of Bill No. C-99, to amend the Food and Drugs Act—Mr. Monteith (Perth)—Mr. Flynn in the chair.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 7.30 p.m.

On clause 1—*Exports.*

Mr. Martin (Essex East): May I ask the minister what his reaction is to the suggestion that in section 31(c) after the word "import" should be added—I am suggesting for the purpose of argument—the word "export".

Mr. Drysdale: While the minister is considering that point I thought he might wish to examine at the same time the relevant position of the Opium and Narcotic Drug Act which deals in great detail with the definition of traffic and trafficking. I was wondering why that definition was not incorporated into the Food and Drugs Act because as the hon. member for Essex East has pointed out, the word "export" has been omitted from this clause. I presume that is because these barbiturates are not manufactured in Canada at the present time. However, I think we might reach the stage where they could be manufactured here. I also was wondering why the word "distribution" which is also contained in the Opium and Narcotic Drug Act was not included. I thought the very wide definition of traffic and trafficking would be invaluable, besides presenting a degree of legislative uniformity.

Mr. Monteith (Perth): I do not think I would have any objection to the word "export" being added there, but I do not believe we need go beyond that at this stage, because this is a new clause dealing with a product which is not a narcotic. A narcotic is a different substance. Under the narcotics act possession is, of course, an offence, whereas it is not an offence under section 3 of the Food and Drugs Act covering so-called goof balls or controlled drugs. The present definition would seem to me to meet the situation and I do not think we need go beyond it. I have not got the definition provided in the Opium and Narcotic Drug Act before me with respect to trafficking, but I feel that this one will suffice.

Mr. Drysdale: The definition in the Opium and Narcotic Drug Act reads:

> Traffic or trafficking means the importation, exportation, manufacture, sale, giving, administering, transportation, delivery or distribution by any person of a drug or any substance represented or held out by such person to be a drug, or the making of any offer in respect thereof, but does not include
>
> (i) the importation or exportation of any drug by or on behalf of any person who has a licence therefor under section 3, or
>
> (ii) the manufacture, sale, giving, administering, transportation, delivery or distribution of a drug, or the making of any offer in respect thereof, by or on behalf of any person who has a licence therefor under section 3, or by or on behalf of a physician, dentist, veterinary surgeon or retail druggist for a medicinal purpose.

I should think the delivery aspect is one of great importance and I agree with the hon. member for Essex East that the word "export" should be included in the section.

Mr. Monteith (Perth): I think the hon. member has been looking at the old act. There was a new bill introduced today entitled "an act to provide for the control of narcotic drugs". I think if the hon. member examines that he will find that the definition

is more or less that which is used in the proposed new act. As far as the inclusion of the word "export" is concerned, there is no reason why this should not be done. The reason it is included in the Opium and Narcotic Drug Act is because of the international consequences which might arise. At the moment this international situation has not arisen as far as controlled drugs are concerned.

Mr. Martin (Essex East): Would the minister move accordingly?

Mr. Monteith (Perth): I will ask my colleague the Solicitor General to move that the word "export" be added after the word "sell" in line 21.

Mr. Browne (St. John's West): I so move.

Mr. Drysdale: I now have Bill No. C-100 before me. I did not have it when I made my earlier remarks. There, the definition of "traffic" reads:

To manufacture, sell, give, administer, transport, deliver or distribute.

I do not believe the word "distribute" is included in the definition we are at present considering. My only desire, Mr. Chairman, is to reflect the concern we feel in British Columbia where the narcotics problem is an extremely serious one. I wish to make sure that all the loopholes in the act are blocked.

Mr. Monteith (Perth): I certainly appreciate the hon. member's concern in this respect, and know he is fully aware of the situation in British Columbia. Perhaps I should give him the definition of the word "sell", as it appears in the Food and Drugs Act, of which this is a part. The word "sell" is described there as including "sell, offer for sale, expose for sale, be in possession for sale, and distribute."

Mr. Martin (Essex East): That covers it.

The Acting Chairman (Mr. McGee): Is it the committee's wish that I now put the proposed amendment to the committee?

Some hon. Members: Agreed.

The Acting Chairman (Mr. McGee): The hon. member for St. John's West moves:

That section 31 (c) of clause 1 of Bill No. C-99 be amended by inserting after the word "sell" in line 21, the word "export".

Shall the amendment carry?

Some hon. Members: Agreed.

Amendment agreed to.

The Acting Chairman (Mr. McGee): Is section 32 of clause 1 agreed to?

Mr. Howard: Mr. Chairman, I should like to raise two points in respect of this section, one in the form of a question, and the other as an expression of opinion. I understand that the ten years' sentence provided upon conviction on indictment is not an automatic sentence?

Mr. Monteith (Perth): Oh, no, that is the maximum sentence.

Mr. Howard: I understand in addition to a jail sentence there can be a fine?

Mr. Monteith (Perth): The Criminal Code provides that it is within the court's discretion to provide both a term of imprisonment and a fine.

Mr. Howard: The other point I wish to raise has to do with a program to be carried out in respect of Bill No. C-100, a copy of which I have not as yet been able to obtain. I understand that the program, as provided by that bill, has regard to the treatment and segregation of addicts and traffickers in narcotic drugs. I should like to suggest at this time, while we are dealing with this bill in respect of the addiction and trafficking in barbiturates, that a similar approach be taken to individuals convicted under the law, as it will be when this bill becomes legislation. It is my understanding that an individual can become addicted to barbiturates and suffer the same withdrawal symptoms, with the same physical and mental state, as individuals who are addicted to opium and heroin. If that is the case, it seems to me that similar steps should be taken to ensure that individuals who are addicted to this controlled class of drugs are also subjected to the same treatment and segregation program that is proposed to be provided in respect of those individuals addicted to opium and heroin, and their derivatives. I wonder whether the minister could indicate to this committee whether a similar program is anticipated under the provisions of this bill?

Mr. Monteith (Perth): There is no provision for specific treatment provided under this bill. The hon. member is entirely right in that respect. This is a new venture and we do not feel there is the need for specific separated treatment in this regard. It is my understanding that the addiction involved in respect of these controlled drugs is not of the same type or degree as in the case of opium or heroin. It has not been felt at this stage that we should provide such specific treatment.

As the hon. member is no doubt aware, there is a new bill—I refer to Bill No. C-100—in respect of narcotic control, and I think we are heartily in accord with the treatment steps in it. However, in regard to the bill presently before the committee, I feel we

should acquire some experience in this regard, so that we will then have a better appreciation of what is required before taking that step.

Mr. Martin (Essex East): Mr. Chairman, this aspect of the problem is of great interest. I had a thought similar to that of the hon. member for Skeena, but suspected the situation might be as the minister has indicated. The minister should not misunderstand me. This is a highly technical aspect of the problem. The minister has at his disposal very well informed professional individuals. I would be very interested in knowing if it is their judgment that the degree of addiction is, as he said, not the same, and that there is no experience which suggests that victims of controlled drugs can be treated in the way in which it is proposed to treat drug addicts, in institutions like the one at Lexington, Kentucky. Is the minister in a position to say whether in Lexington they do or do not treat victims of addiction to controlled drugs, or are only narcotic addicts being treated there? I have the impression there has been a change in that regard, and that the officials of that institution are now attempting to treat, in an experimental way, individuals who are addicted to these so-called controlled drugs. If that is the situation, and as we are about to embark upon a different experimental measure, seeking to provide rehabilitation through detention and hospitalization, it seems to me that, if what is being attempted in Lexington is of any value, we ought to do the same.

Am I right in saying that in California, in the last year or so, there has been created a new institution in an attempt to deal with addicts to controlled drugs, or barbiturates? I am not sure about that suggestion, but it seems that I have read something quite recently in that regard. However, I shall be guided by the minister's final statement on this matter, and I do think the point raised by the hon. member for Skeena is one that we should explore.

Mr. Drysdale: Mr. Chairman, I should like to make one or two comments in regard to this particular section, dealing with the trafficking of barbiturates, which I consider is perhaps the most nefarious aspect of the whole problem of the illegal use of narcotics. It is my understanding that the trafficker is invariably an individual who does not use the drug himself, but passes it on to other people. It is also my understanding that there is a tendency for younger people to experiment with the use of these barbiturates and narcotic drugs.

The thing that concerns me about this particular clause is the punishment. On summary conviction the term of imprisonment is 18 months. Under indictment the term of imprisonment may be 10 years. Under the present Opium and Narcotic Drug Act imprisonment is for a term not exceeding 14 years for trafficking, and there is also a provision for whipping. Under the new Bill No. C-100 a person who is guilty of trafficking is liable to be imprisoned for life. It seems to me, Mr. Chairman, that we should give very serious consideration to incorporating this more extensive term in this particular clause because I think the experience of the law enforcing agencies has been that the stiffer the term the more likelihood there is that the people who are in this particular business will get out of it.

I think this has been the experience in the United States, particularly with Mafia, which was extremely well organized in the narcotic aspect of the business. As the sentences toughened up this very well organized group tended to get out of the business. With these goof balls which can be added to soft drinks as well as alcohol to produce the effect desired I think there is perhaps even a more serious situation than we have in narcotics. Could the minister indicate the reasoning behind the length of the sentence indicated in this legislation and would he consider making it uniform with the Opium and Narcotic Drug Act and provide imprisonment for life?

The Acting Chairman (Mr. McGee): Before the minister replies I wonder whether the committee would give unanimous consent to improving a slight discrepancy or possibly making an improvement in the wording of the amendment to section 31, which was carried a short time ago? The effect of the amendment was to add to paragraph (c) the word "export" following the word "sell". This would mean that the paragraph would then read:

(c) "traffic" means to manufacture, sell, export, import into Canada—

And so on. The suggestion that I am offering to the committee is that we might add the words "from, or" after the word "export". The paragraph would then read:

(c) "traffic" means to manufacture, sell, export from, or import into Canada, transport or deliver, otherwise—

And so on.

Mr. Martin (Essex East): Agreed.

The Acting Chairman (Mr. McGee): May I have the permission of the hon. member for St. John's West to add these words to the amendment?

Mr. Browne (St. John's West): Yes, Mr. Chairman. Thank you very much for pointing it out.

The Acting Chairman (Mr. McGee): Is it unanimously agreed that the amendment which has been carried to section 31 shall have the words "from, or" added to it?

Some hon. Members: Agreed.

The Acting Chairman (Mr. McGee): The paragraph will now read:

(c) "traffic" means to manufacture, sell, export from, or import into Canada, transport or deliver, otherwise than under the authority of this part or the regulations.

Some hon. Members: Agreed.

Mr. Monteith (Perth): The hon. member for Essex East mentioned possible experiments conducted at Lexington. This is so, so far as barbiturates are concerned. They are individual experiments.

While we are not actually discussing Bill No. C-100, it is realized that in that bill there is provision for special treatment. We feel that this is a new venture, a new step, and that in the case of barbiturates or controlled drugs the situation is not as serious at the moment. We certainly will continue to study it, and if there is a need in the future to provide specific treatment, a specialized sort of treatment, we shall certainly be very pleased to act.

I should like to point out that actually we are dealing with and making punishable only trafficking and possession for the purposes of trafficking. It is not actually possession that we are dealing with; it is just those two things, trafficking or possession for trafficking purposes. This is to quite a degree at the moment being done on the advice of the Royal Canadian Mounted Police and their advice, of course, is given after having had considerable experience and making quite a study of the matter over the last several months.

The hon. member for Essex East also mentioned something that was going on in California. I am afraid that at the moment I am unaware of what this might be, but I would mention that in California they have had an experiment concerning free drugs to addicts.

With respect to the comments of the hon. member for Burnaby-Richmond, here again I would point out that we are acting on the advice of the Royal Canadian Mounted Police. We do not feel that those penalties should be as severe as they are under the new suggested narcotic control act. First of all, we do not believe for a moment that the courts would impose the type of sentence included in Bill No. C-100 in cases under this particular bill. We realize that it is a serious problem. We are taking a new step to try to deal with it and we hope we can deal with it. If further steps have to be taken then, of course, we shall take them.

Mr. Howard: Before I proceed with my main remarks, may I ask the minister whether the drug known as marijuana is included in the schedule to the Opium and Narcotic Drug Act?

Mr. Monteith (Perth): Yes, it is.

Mr. Howard: I think it will be discovered, or it is probably well known in medical circles anyway, that marijuana is not an addictive drug. It certainly produces a euphoric effect similar to other narcotic drugs. It is an addictive one as we think of the other narcotic drugs as being addictive, and yet a person convicted under the other act for possession, for argument's sake, of marijuana would be liable to be sentenced to a term and the like as would a person convicted for possession of morphine. I just merely say this in opposition, as it were, to the reasoning of the minister with respect to barbiturate addicts when he said that this is not as serious as a person being addicted to other narcotic drugs. As far as marijuana is concerned, it could be far more serious and far more damaging to the individual, according to medical opinion.

Another point which must be considered is that one of the ways in which younger people come in contact with narcotic drugs—and a similar situation will develop with respect to barbiturates or controlled drugs—is that a younger person who has no previous association with narcotics or narcotic addiction may be sentenced for some other offence to a penitentiary or a provincial jail. While there, because of the lack of segregation, he comes into contact with narcotic addicts. The general day to day discussion among narcotic addicts in penitentiary is pointed toward that day when they can get out and get down town and get their first fix, as they call it, or a shot of morphine, or whatever they can get. With many narcotic addicts their sole thought is to get out of prison in order to make use of narcotics again. The process of day-to-day talk and discussion does raise the idea in the minds of younger people that there must be something delightful about the use of narcotics to make these addicts so enamoured of them that this is the first thing they are going to do when they get out. From association in prison with addicts or people who know about narcotics younger people do have a tendency to some extent to try narcotics themselves when they get out of prison if they circulate in the same walk of life.

The same thing will be true with respect to association with barbituric addicts by younger people who are not addicts. Even

though this is initial legislation in this field, unless the minister is willing at this time to place barbituric addicts or traffickers in the same class as narcotic addicts so far as treatment and segregation are concerned, I am very much afraid that we will have a growing problem and a few years from now the minister or another minister will come back again and say that something has got to be done with regard to the treatment of persons using barbiturates. I am quite sure that is what is going to occur.

To my mind it would be much better to have some foresight in regard to the treatment of barbituric addicts and to establish facilities so that individuals can be segregated and treated. The type of treatment may vary. Quite frankly, I think all the psychiatrists in the world will not be of much help to a narcotic addict if the addict desires to use narcotics unless he may be unhappy with his present situation and realizes it is resulting in more difficulty for him than happiness. While we are at the job of establishing machinery for the treatment of narcotic addiction I think we should also establish facilities at the same time for the treatment of barbituric addicts. It may be that the type of treatment will be different and that medical treatment of some kind will be of advantage. It may be some other form of treatment, but at least we should establish facilities for the treatment of barbituric addicts in such a way that they will be segregated from prison inmates convicted of other crimes.

The minister says that he wants to try out this legislation to see how it works but with all due respect I think he will agree without hesitation that it is far better to have some machinery in existence that can be used to overcome a problem which may arise with regard to barbituric addicts than it is to wait until the problem does arise and then say that something must be done after the problem has become greater than it is now.

Mr. Monteith (Perth): I might say a few words in reply to the statements by the hon. member for Skeena. First of all, while marijuana is in the schedule of the new narcotic control legislation it is regarded internationally as a narcotic and the controlled drugs with which we are dealing in this bill are not. I think it might be pointed out that in our humble opinion this is the most forward step we know of that has been taken in this respect in any country.

In this bill we are not dealing with addicts who use barbiturates or amphetamines or other controlled drugs. We are dealing primarily with the trafficker and those found in possession for trafficking purposes. On the basis of the best advice we have been able to obtain it is our feeling that we should develop the control of these drugs and licence all those who handle them with a view to stopping the illicit trade in them. We are also certainly far from convinced that this problem is as serious as narcotic addiction. We are convinced it is not as serious. I am afraid I cannot go along with the hon. member at this stage. After all, narcotic addiction and its serious consequences have been well known for many, many years and the amendment being brought forward in Bill No. C-100 represents actually the first time that this type of approach has been taken toward treatment. In our humble estimation barbiturates do not represent as serious a problem and consequently I am afraid we will have to leave what the hon. member has suggested for another time.

Mr. Deschatelets: Mr. Chairman, if I understand correctly, the new section 32 covers two types of infractions. The first is trafficking and the second is possession for the purpose of trafficking. If that is so, it means that if a man is caught by the police in possession of a controlled drug such a case is not covered under the new section 32. Am I right in my assumption?

Mr. Monteith (Perth): If a man is in possession—

Mr. Deschatelets: I mean sole possession without any idea of trafficking.

Mr. Monteith (Perth): Oh, no, it is not covered. We are not after the users of barbiturates or amphetamines at the moment. These are household drugs in every sense of the word and in most houses practically every medicine cabinet contains some drug of this type. We are not dealing with these people. What we are after is the trafficker in controlled drugs or those found guilty of possession for purposes of trafficking.

Mr. Deschatelets: If that is so, would the minister not agree that in the enforcement of the narcotics act with regard to the use of heroin, for example, we are in the main controlling the users because it is not very often we are able to catch the trafficker. If the question of controlled drugs is serious enough to warrant an amendment to the Food and Drugs Act, I think there should be a clause in the bill to cover the person who is in possession even if such possession were only punished by a nominal fine. I think that enforcement would be much easier if that were done.

Mr. Monteith (Perth): I am afraid I cannot agree with the hon. member. As I mentioned earlier, these drugs are in common everyday

use on doctor's prescriptions in practically every household. For argument's sake, let us say that an epileptic is out on the street and has a drug of this type in his pocket which he finds it necessary to use upon certain occasions. We do not feel that at this stage we can possibly include straight possession as an offence under the bill. If we can charge a man with possession for trafficking that, of course, is a very different matter. It is the trafficker we are after.

Mr. Crestohl: Mr. Chairman, I would ask the minister to look at subsection 1 of the new section 32. Surely that is a rather anomalous situation. The section provides that no person shall traffic in a controlled drug and "controlled drug" is defined in section 31. Then subsection 1 of section 32 goes on to say, so far as trafficking is concerned:

—or any substance represented or held out by him to be a controlled drug.

It, in fact, might not be a controlled drug. Let us assume a person is selling aspirin. He says, this is a controlled drug. If he were brought to trial his only offence would have been the statement he made that this was a controlled drug. In fact, it is not a controlled drug. How then could he be found guilty of trafficking in something which is not a controlled drug, such as aspirin or a bottle of Coca-Cola? By themselves, they are not controlled drugs.

This section of the bill certainly contains a provision that would not stand up before any court. If the person were trafficking in a controlled drug he could be found guilty. If the evidence shows it is not a controlled drug, you cannot ask for a conviction.

Mr. Monteith (Perth): Mr. Chairman, this phrase, "any substance represented or held out by him to be a controlled drug", may require a word of explanation. In view of the fact that this offence involves a criminal underworld transaction, it is necessary that undercover activities be employed to reveal the source of the trafficking. This provision is also contained in the narcotics legislation. It is not to be expected that honesty and fair dealing will prevail in illicit underworld trafficking. Someone may be selling sugar, but if he represents it to be a controlled drug, we feel he is part of the underworld and should be charged as such.

Mr. Bourque: I may say that we are dealing now with a well organized group of traffickers. I point out to the minister, for instance, that the head traffickers will call up a drug store, or perhaps even 12 drug stores, and order 100 aspirin tablets from each drug store, while ordering 100 tranquilizers from 12 other stores. He says, in the first place, deliver these to me at 45 Monterey street, apartment 25. He goes to the doorway of apartment 25 and waits in the entrance hall. When the boy brings the tablets, this man meets him at the door. He does not live there. He takes the 100 aspirin tablets and pays the 98 cents or $1 to the messenger. He then gets in his car and delivers the tablets to another pusher. You cannot catch him because he moves on to another place and does the same thing. He may do this 12 or 15 times in one evening. You can never catch him with the goods because he has only 100 aspirin tablets or 100 tranquilizers, and he passes them on to another fellow. This fellow goes on and distributes these pills. How are you ever going to catch the trafficker who handles goods in that way? He never has 200 pills of any kind at one time.

Mr. Monteith (Perth): I do not quite understand, Mr. Chairman, what the hon. member is getting at. We are not dealing with aspirin tablets, we are dealing with the drugs outlined in the schedule which are dangerous drugs and which sometimes lead to tragic results. I do not know to what he is referring when he says that one man goes here or there with 100 aspirin tablets.

We do intend now to have all those who handle these three controlled drugs keep records and have them available for inspection. Then we may, upon inspection, determine whether or not there has been any illicit trafficking.

Mr. Bourque: I take it the minister's studies have not gone far enough because I am telling him now what occurs. Anyone knows that you do not need to make these drugs into capsules. All you need to do is mix the two together and you have a goof ball. A goof ball may lead to murder or any other offence if it contaminates any young person. These goof balls enable people to lose all sense of responsibility. If the procedure I have outlined is repeated 12 times, you could never convict a person who dealt with these drugs because he never buys all the products at the same time. If you arrest him you will find him with 100 aspirin tablets. You cannot charge a man for having 100 aspirin tablets. However, if he repeats the transaction 12 or 15 times in one day, he has accumulated enough ingredients to make 1,000 goof balls. You cannot convict him because you never find him with the goods, but only with ordinary drugs.

Mr. Monteith (Perth): First of all, may I say I am sure the hon. member realizes that tranquilizers are obtained by prescription. You cannot go into a drug store today and buy tranquilizers without a prescription. I do not

want to belittle the problem. The R.C.M.P. certainly are worried about catching traffickers, and they are thinking of this problem of the addict.

I should like to reiterate what I said earlier, that tranquilizers are not the easiest thing to obtain because they are obtained on prescription.

Mr. Crestohl: When I drew the minister's attention to subsection 1, I did so in an effort to close an escape hatch. If the section were to provide that anyone found in possession of a controlled drug or ingredients which could be converted into a controlled drug, it would be much more effective than saying "any substance represented or held out to be a controlled drug". What trafficker is going to say, I am selling you aspirin or tranquilizers which, in themselves, are not controlled drugs but which I tell you are controlled drugs. You cannot convict him unless you have evidence that he represented or held them out to be controlled drugs. No trafficker is going to be so stupid as to admit that what he is selling is not a controlled drug but that he represents it to be a controlled drug.

I therefore, draw the minister's attention to the fact that this clause provides an excellent avenue of escape for anyone who is trafficking in ingredients which could be part of a goof ball, and that such language would be much more effective if it were to say a man could be found guilty if he were in possession of ingredients which could be converted into a controlled drug. I would put it this way. If I were defence counsel I would have a much more difficult time having a man acquitted if he were charged with being in possession of ingredients which could be part of a controlled drug than attempting to prove that what he was selling was not a controlled drug but that he held it out to be a controlled drug. This would be a fairly easy avenue of escape for defence counsel.

Mr. Monteith (Perth): I think I understand what the hon. member is trying to get at. He said that any substance could be represented or held out by him to be a controlled drug. As we see this situation, the action will involve underworld characters or they would not be representing themselves to be a pusher or a trafficker, whatever they are called. As a consequence, if he sells something, completes a transaction with a buyer and is found to do this and is charged, he can be charged and found guilty even though the article he has sold is not an actual controlled drug but only was represented by him to be so. In other words, no buyer would buy a capsule, or however these things come, from a trafficker unless it had been represented by the trafficker to be a controlled drug. That is only sensible to me.

Mr. Crestohl: It would be a straight misrepresentation.

Mr. Howard: I realize that this is perhaps a bit out of order, although I think there is a connection and we have made reference to it previously. In the schedule to Bill No. C-100 there are some 90 substances which I understand fall into a prohibited class and are classified as narcotics. Can the minister tell us how many of these are not addictive?

Mr. Monteith (Perth): I am afraid that I cannot get into a detailed discussion of Bill No. C-100. That is another bill. In the schedule to Bill C-99 we have three drugs which we are now calling controlled drugs for the purposes of this bill. There are these three, as I have indicated. Incidentally, I presume we would be coming to that section of the bill later on. However, there are these three particular drugs and the salts and derivatives of them. For instance, I have a list of several things that might be considered to be in the barbiturate group. There is verinol, nytol, luminol.

Mr. Martin (Essex East): Are they in the narcotic drug act?

Mr. Monteith (Perth): No; these are barbiturates.

Mr. Martin (Essex East): The hon. member for Skeena is asking about those 100 substances that are in the narcotic drug act and that might be in the category of marijuana.

Mr. Howard: Or having the same effect; that is, being classified as non-addictive.

Mr. Monteith (Perth): I am told that under Bill C-100, to provide for the control of the narcotic drug act these are synthetic drugs which can only be named as such. The three in the schedule to Bill No. C-99 have many derivatives and salts from these family groups. As I say, there are many trade names which different companies call them in the barbiturate group. Different companies call their products by different names. Ciba has a product in the barbiturate group. There is nembutal for Abbott Laboratories, seconal for Eli Lilly and Company, and so on. These are trade names primarily. There are only these three family groups and then there are the salts and derivatives.

Mr. Howard: Perhaps I should ask the question again. How many of the approximately 90 drugs—and I use the round figure—listed in the schedule to Bill No. C-100 are of the type of drugs that fall into the same

class as marijuana which I said was non-addictive and as to which, as the minister said, "yes, even though it is non-addictive it is internationally known"? How many of these are considered to be non-addictive type of drugs similar to marijuana?

Mr. Monteith (Perth): Actually I think we are quite out of order because we are discussing another bill. However, I should like to point out that all the items on the schedule to Bill No. C-100 are under international control or jurisdiction.

The Acting Chairman (Mr. McGee): Shall section 32 carry?

Mr. Howard: Before it carries may I say this. It seems strange to me—and I am thinking about the argument of the minister—that it is not necessary to engage in or establish any treatment facilities and the like because these controlled drugs under Bill No. C-99 are not considered to be as serious, yet they are serious enough that we are thinking in terms of a 10 year sentence plus a fine and on failure to pay the fine perhaps another five years maximum. We are therefore thinking in terms of a maximum 15 years in prison for a person trafficking in what is considered to be a drug which is not very serious. In his remarks the minister also made reference to the R.C.M.P. being worried about this matter and said that these are dangerous drugs with tragic results and so on. It seems to me that the minister's comments and expressions and the remedies sought in the bill do not equate with his argument that it is not a serious drug and that it is not a serious matter.

Mr. Monteith (Perth): I presume that is a matter of opinion. I tried to explain our position on this matter earlier. We feel that we are going far enough in this bill. As I said earlier, this is the most forward looking legislation, of this type, of any country in the world to our knowledge. We think it is a step in the right direction. If, of course, as time goes on, we find that further steps must be taken we shall be very happy to consider them.

Mr. Martin (Essex East): I have listened to this discussion between the hon. member for Skeena and the Minister of National Health and Welfare with sympathetic interest. From the point of view of logic, I think that what has been said by the hon. member for Skeena is incontestable. It may be that the minister has not fully understood the point of view expressed by the hon. member for Skeena and on that account there has been this *malentente*. Perhaps the misunderstanding is not only on the side of the minister, because the minister has something on his side in that these treatment centres for addicts have not been proven to be wholly without their defects.

Mr. Howard: It is not my assumption.

Mr. Martin (Essex East): No, I said that the assumption that they have proven to be fully successful is quite erroneous. They are still very much in the experimental stage. The difficulties that attend the administration of just one—I refer to the one in Lexington—are so great, I am sure, as to have caused the greatest consideration before adopting them in this country. Yet I think adopting the technique and the experiment is well worth while because it is only by trying that one really ascertains whether or not the experiment is valuable. Undoubtedly in many instances constructive results flow. But, it would seem to me that the minister is on sound ground in this sense in saying that since there is some doubt about the all inclusive character of the experiment that is resorted to for the treatment of drug addicts, and as this is a pioneer measure, one should not be expected to do something which is not going to yield, according to the best human standards, substantial and desirable results. I think the way to answer that question would be for the minister to explain to the committee, and the answer is certainly not clear to me, what is the result of treatment in the case of an addict who suffers from the use of controlled drugs. We have a general idea of what is the result in terms of effect in the case of those who suffer from the use of drugs. But what kind of treatment can be provided to a person who is a victim of a barbiturate? Is it not something which is in control of the physician? Is it not something that has the same deep habit formation quality? If the minister can give us some definite information in this regard, I think he might go a long way in meeting the concern of the hon. member for Skeena. Since this is a technical problem, I hope the minister will not misunderstand me if I say I wonder why he does not have sitting at the table in front of him in addition to eminent counsel, those in his department who have special technical knowledge in this matter.

Mr. Drysdale: Before the minister answers perhaps I might supplement some of the observations which have been made by the hon. member for Essex East. On quickly looking over the bill, there appears to be no provision regarding a person who is a barbiturate user and there does not appear to be any consideration given to whether or not a person engaged in trafficking is also a user. The situation often arises in narcotic trafficking where a person doing the trafficking is himself

a user. I was concerned as to whether this indicates a view that barbiturate addiction is not too serious a practice. In the new measure to control narcotic drugs provision is made for treatment and I think we have for the first time recognized the problem involved in the use of narcotics. Even under the old act, as I understand it, the key question was whether a person was in possession of drugs or trafficking in them. There was nothing wrong with being a person who used a particular drug. I was wondering if the minister could comment on this point.

Mr. Monteith (Perth): I am very happy to comment on all these things to the extent to which I am capable of doing so. I might mention however, with all due respect, that I think you are being lenient, Mr. Chairman, in that we seem to be discussing Bill No. C-100 every bit as much as Bill No. C-99. In this bill we are dealing with traffickers or those found in possession for the purpose of trafficking in controlled drugs.

I am happy to try to answer some of the questions which have been put to me such as those concerning the treatment of barbiturate addicts. We are informed—indeed, we are convinced—that withdrawal from any addiction there may be to those controlled drugs is not as difficult as is withdrawal, for example, from addiction to heroin. We do not feel that these controlled drugs have the same habit forming quality as narcotics. Frankly, in this present legislation we are after the trafficker; we are not legislating against those found in possession at all, except traffickers. It may develop that there is some loophole in this measure, but I should like to reiterate the statement I made earlier, twice, I think, this evening, to the effect that we feel this is the most forward looking legislation of any country in the world in this particular field. It is the first time to our knowledge that this step has been taken in any country. We feel that we are taking the correct step. We do not feel that treatment at the moment is as necessary as it is under the narcotics legislation. This is not a treatment measure. We are simply after those who traffic in these particular controlled drugs.

Mr. Bourque: I am sure the minister is well intentioned but evidently he has not travelled "the main" where the flotsam and jetsam of the world can be found.

I have here a copy of the Montreal *Star* dated May 13, 1961. The heading reads: "Child Court Judge Says Ban 'Main' ". It reads in part:

> "I hope the city passes an ordinance forbidding children from frequenting the Main," Judge Penverne said yesterday as he sent Eugene Servant, 47, to penitentiary for selling goof balls to a child.

Everyone knows that in Montreal anybody, man, woman or child can go on the Main and purchase goof balls at practically every door. I have a clipping here from the Montreal *Star* of Saturday, April 22 headed: "Criminal Code Changes Sought—City Acts to Stem Goof Ball Scourge". Here is one from the same paper of March 28: "Warning Given Youth Centre—Goof Ball Menace Stressed". The report goes on to stress the growing menace of the goof ball. Here is another item from the Montreal *Star* of Friday, March 10, 1961: "Dr. Roussel Reports, 'Goof Balls' Blamed for Sharp Increase in Violent Crimes". Again, in the *Gazette* of Tuesday, February 14 we read: "Goof Balls —New and Tougher Laws Believed to be Answer". And in the *Gazette* of Wednesday, February 15 there is another headline: "Trafficking Reduced but not Eliminated—Fulton".

Mr. Herridge: Fulton?

Mr. Bourque: Yes, sir. —"Trafficking Reduced but not Eliminated—Fulton". It reads:

> Traffic in "goof balls" (barbiturate and amphetamine drugs) at St. Vincent de Paul penitentiary is reduced but not yet eliminated, justice minister E. Davie Fulton said yesterday.

These things have been the subject of traffic in the penitentiaries everywhere, and they can be obtained at practically every doorway on the Main.

Mr. Monteith (Perth): This is exactly what we are trying to cure.

Mr. Bourque: I know, but you are not going about it in the right way. Possibly the hon. gentleman has made a good beginning, but I am trying to explain that traffic in these things is so widespread in Montreal that today anyone can continue trafficking in these drugs without much risk of being caught. This is from the Montreal *Star* of March 4, 1961: "Enlightened Action on Goof Ball Menace Needed". Here is an article which appeared in the Montreal *Star* on Wednesday, February 28 entitled "Bribes, Goof Balls and the Law". Another, which appeared in the *Gazette* on February 14 is entitled: "The 'Goof Ball' Menace". Again in the *Gazette* of April 7, is a further article called: "Those who Peddle Goof Balls". These are all editorials.

Mr. Monteith (Perth): I have read most of them.

Mr. Bourque: Another, from the *Gazette* of May 25 is headed: "Narcotic Laws and 'Goof Balls'." I have a stack several feet high upstairs.

Mr. Monteith (Perth): So have I.

Mr. Bourque: The newspapers, as is obvious from what I have been reading, consider this problem to present a real menace, but we are not being sincere in our approach. I am alarmed when I draw the attention of the committee to this. I have been telling this house about it for three years but only now is action being taken, and it is action which is mild in character. This involves the contamination of our youth, yet we are only taking mild measures to deal with it.

Mr. Monteith (Perth): I think I must say a few words on the observations to which we have just listened. The hon. member claims the action we are taking is not sufficiently severe. At the moment the penalty for trafficking in narcotics is, I believe, 14 years. This legislation provides a penalty of ten years for trafficking in controlled drugs. I think that is a serious penalty, myself. This bill is designed to prevent precisely the type of thing to which the hon. member has been calling attention. It implements the recommendations of the citizens' committee. Incidentally, the hon. member indicated that I had probably heard from the mayor of Montreal about the meeting of that committee. No delegation has approached me so far. I am not sure whether or not any other member of the government has been approached but I have had no word from the citizens' committee of Montreal concerning this matter. I have the report, and I may say that practically all its recommendations have been implemented in this present bill.

(Translation):

Mr. English: Mr. Chairman, I had not intended participating in this debate because I am not of the medical profession, nor am I a druggist. However, I followed every remark made in this chamber on the subject of goof balls such as those of the hon. member for Outremont-St. Jean (Mr. Bourque). He talked about goof balls for 30 minutes and—

Mr. Martin (Essex East): And rightly so.

Mr. English: I will tell you in a moment if he was so right. The hon. member talked on that matter for 30 minutes—

Some hon. Members: Order.

Mr. English: —then, he made another speech during the examination of the estimates of the Minister of Justice, when he kept the floor on the same subject for another fifteen minutes. Nobody in this house would deny the nefarious effects of goof balls in the province of Quebec.

Some hon. Members: Are there goof balls in the constituency of Gaspe?

[Mr. Monteith (Perth).]

Mr. English: No. Come over to Gaspe, and you will find that I have no need to fight the use of goof balls, because there are none. However, there are some in your constituency.

Mr. Chairman, I have been listening closely to my colleagues, and I wonder whether we are not a bit responsible for the situation. While we all recognize that goof balls have caused great harm to our young people, I wonder whether the way to settle the problem is to publicize this drug and to suggest all kinds of recipes to our young people.

Really, Mr. Chairman, instead of teaching bad things to our young people, we in this house who all recognize that goof balls are bad for them should try to remedy the situation; however, I do not think that can be achieved by indulging in petty politics.

Mr. Chairman, we have actually provided recipes to our young people. We have discussed goof balls, we have discussed aspirins and coca-cola, and now I am wondering whether in fact we should not have awaited the bill which was introduced by the Minister of National Health and Welfare (Mr. Monteith)—

Mr. Bourque: There would never have been a bill if we had stopped discussing the matter.

Mr. English: —who, I am sure, will apply the appropriate remedy to the situation.

Mr. Chairman, as I was saying a moment ago, I wish to discuss this bill not as a doctor or as a pharmacist, but I think I am entitled to discuss it as a former teacher who has always aimed at inculcating to our youth ideas that would be beneficial to the nation as a whole.

Therefore, I repeat, Mr. Chairman, this is not the place to say too much about goof balls. Anyhow, it is certainly not here that one should get the recipe for them.

We are here, on the contrary, to remedy the situation and to protect our young people.

(Text):

Mr. Bourque: The hon. member would like to fiddle, like Nero, while Rome burns. He wants to be like an ostrich with his head in the sand while the storm is raging.

The minister said a moment ago that he had not received anything from Montreal regarding this subject. I should just like to quote from an editorial which appeared—

Mr. Monteith (Perth): Mr. Chairman, I did not say that I had not received anything from Montreal. I said I had not received a request in this regard from the mayor of Montreal.

Mr. Bourque: Mr. Chairman, I should like to inform the hon. minister, in that event, what the recommendation is which is put forward by the mayor of Montreal.

Mr. Monteith (Perth): Mr. Chairman, I have the report here in front of me.

Mr. Bourque: In view of what the minister said a moment ago, I should like to read a few lines appearing in an editorial in *La Presse* of Saturday, April 22, 1961, which are as follows:

(Translation):

War on barbiturates.

The report of the subcommittee which was set up by Montreal's executive committee and which is headed by the mayor—

The report reads as follows:

To summarize the situation even very briefly, is to summarize the recommendations of the municipal subcommittee. The Criminal Code and the federal Food and Drugs Act must be amended so as to include barbiturates and narcotics and so as to apply to the latter the same control, regulations and penalties. The investigation which has just been completed, hasty and incomplete as it may be, should be enough to alert federal authorities and for the latter to adopt the necessary legislation and penalties immediately.

(Text):

That, translated roughly into English, means that we should have the same punitive sanction in respect of goof balls as we have in respect of narcotics.

Mr. Monteith (Perth): Mr. Chairman, I have the report of the committee before me. As a matter of fact, an officer of the inspection and enforcement services branch of the Department of National Health and Welfare was in attendance at that committee meeting. As I have said before, we have incorporated most of the ideas contained in the report of that committee in this bill. I said in reply to the suggestion made by the hon. member this afternoon regarding my being approached in respect of this subject, that I had not as yet been approached, and that is the situation. I have not been approached as yet in regard to an appointment in respect of this matter.

The Chairman: Before I recognize another hon. member, I should like to point out that the committee is presently considering section 32, which has nothing to do with the principle of the bill, but relates to the punishment to be meted out to individuals convicted of being in possession of controlled drugs for the purpose of trafficking.

Shall section 32 carry?

Some hon. Members: Agreed.

The Chairman: Shall section 33 carry?

Mr. Martin (Essex East): Mr. Chairman, this section is important because of the means taken to provide an effective sanction, but it deserves comment for another reason altogether, in that it touches, the heart of the alleged basic attitude of the policy of this government as to the position of the individual in relation to the state. I think it is important for us to look at the section to see exactly what is intended.

Section 33 (1) provides that if an accused does not plead guilty, the trial shall proceed as if the issue to be tried is whether the accused was in possession of a controlled drug. Subsection 2 (a) and (b) are the parts of this section which should be underlined. They read as follows:

(2) If, pursuant to subsection (1), the court finds that the accused was not in possession of a controlled drug, he shall be acquitted, but, if the court finds that the accused was in possession of a controlled drug, he shall be given an opportunity of establishing

(a) that he acquired the controlled drug from a person authorized under the regulations to sell or deal with controlled drugs; or

(b) that he was not in possession of the controlled drug for the purposes of trafficking, and thereafter the prosecutor shall be given an opportunity of adducing evidence to the contrary.

Mr. Chairman, I fully concur in the objective that the minister has, throughout the basic concept of this bill, in trying to restrict the illicit use of controlled drugs. But what does this section which I have just read out do? It violates one of the acts introduced by this government and which sets out the basic freedoms and fundamental human rights which are allegedly guaranteed by the bill of rights. I refer the minister to section 2 of the bill of rights in the statutes of Canada, 1960. Section 2, paragraph (f) reads:

2. Every law of Canada shall, unless it is expressly declared by an act of the parliament of Canada that it shall operate notwithstanding the Canadian bill of rights, be so construed and applied as not to abrogate, abridge or infringe or to authorize the abrogation, abridgment or infringement of any of the rights or freedoms herein recognized and declared, and in particular, no law of Canada shall be construed or applied so as to

(f) deprive a person charged with a criminal offence of the right to be presumed innocent until proved guilty according to law in a fair and public hearing by an independent and impartial tribunal,—

The hon. member for Maisonneuve-Rosemont will remember the history of this particular section, because it was as a result of efforts made by Liberal members in the bill of rights committee that the presumption of innocence clause was put in the legislation. This was accepted by the Minister of Justice and later by the Prime Minister and the house. Therefore it is rather unusual that a minister of the same government should come forward with a bill which violates this very provision. The violation is to be found not only in section 33 but also in another section,

and I do no more than refer to it now because it is not before us. I simply mention that section 34 (2) violates the same principle incorporated in the bill of rights.

Mr. Browne (St. John's West): Keep to section 33.

Mr. Martin (Essex East): Yes, I am going to keep to section 33; I just mention 34 (2) as we go along.

Under section 33, an individual in possession of a controlled drug is called upon to explain the circumstances of that possession and if he cannot there is a presumption of guilt. I say that under the bill of rights, notwithstanding the meritorious features of this bill and of its objectives, the onus should rest on the crown; otherwise the bill of rights is meaningless. I am surprised that this arises so soon after the passage of the bill of rights, particularly when we have just had it enshrined on pig skin and distributed all over this country, together with a monumental statement by the right hon. gentleman, the Prime Minister of this country.

Some hon. Members: Hear, hear.

Mr. Martin (Essex East): Hon. gentlemen opposite, including the minister, say, "hear, hear". I hope they will strongly back up the indictment which I am making on this particular section in relation to the bill of rights. But not only that, Mr. Chairman. Under section 3 of the bill of rights there is an obligation on the Minister of Justice "to scrutinize every proposed regulation submitted in draft form to the clerk of the privy council and also every bill introduced in or presented to the House of Commons, in order to ascertain whether any of the provisions thereof are inconsistent with the purposes and provisions of section 3 of the bill of rights". Unless the procedure for the preparation of bills has changed, a draft of this bill must have gone through the hands of the Solicitor General or of the Minister of Justice and to a committee of cabinet before it was considered and approved in principle by the cabinet as a whole.

Did the Minister of Justice see this bill? If he did see it, what comment did he make about this provision in section 33 (2), which clearly puts the onus on the possessor of the so-called controlled drug? I am sure we can get at individuals in this country who are trafficking in controlled drugs without violating the basic provisions of the bill of rights, without violating one of the essential human freedoms, one of the essential elements in our common law system and in our civil law system. I hope that the minister, backed up by the skill of the Solicitor General, will be able to explain the dilemma into which the Minister of National Health and Welfare has been plunged as a result of the failure of the Solicitor General or the Minister of Justice to be fully vigilant in this matter as they must be under section 3 of the bill of rights.

Mr. Browne (St. John's West): I do not know whether I can satisfy the hon. member for Essex East, but I will do the best I can. He speaks of section 33. He read out section 33 (1) which reads:

> (1) In any prosecution for a violation of subsection (2) of section 32,—

Subsection (2) of section 32 reads:

> No person shall have in his possession any controlled drug for the purpose of trafficking.

If in a prosecution the accused does not plead guilty, if when he is before the magistrate, he does not say "I am guilty", the section goes on to say:

> —the trial shall proceed as if the issue to be tried is whether the accused was in possession of a controlled drug.
>
> (2) If, pursuant to subsection (1), the court finds that the accused was not in possession of a controlled drug, he shall be acquitted,—

The magistrate says "The case is dismissed" and the individual goes away. I continue:

> —but if the court finds that the accused was in possession of a controlled drug, he shall be given an opportunity of establishing—

The magistrate says "I find that you have been in possession of a controlled drug. You have the right to show that this controlled drug which you had in your possession was acquired by you from a person authorized under the regulations to sell or deal with controlled drugs", or that he was not in possession of the controlled drug for the purpose of trafficking, and thereafter the prosecutor shall be given an opportunity of adducing evidence to the contrary. In other words, if the man lies, perjures himself, if he gives evidence or makes a statement which the prosecutor knows to be false and can prove to be false, the prosecutor is given that opportunity of rebuttal.

The hon. member for Essex East also knows that even where a man has been acquitted the attorney general can appeal from one court to another and have the case heard again. Therefore, in this instance, it is only a question of the prosecutor being given the right to rebut statements which he can show to be false.

I go on with paragraph (3):

> If the accused established the facts set forth in paragraph (a) or (b) of subsection (2)—

That is, that he acquired the controlled drug from a person lawfully licensed to sell

or deal with it or that he was not in possession of it for the purpose of trafficking. I continue:

—he shall be acquitted of the offence as charged;—

In other words, if he shows that he was not in possession of the controlled drug for the purpose of trafficking, then the case shall be dismissed. The man is acquitted. The magistrate says "Case dismissed". I continue with the quotation:

—and if the accused fails to so establish he shall be convicted of the offence as charged and sentenced accordingly.

In other words, if he does not satisfy the magistrate that the controlled drug which he had in his possession and for which he has been charged wth trafficking came into his hands innocently, then he has to be convicted.

In regard to the statement made by the hon. member who just spoke concerning the bill of rights, the Minister of Justice examines every bill that comes in here.

Mr. Martin (Essex East): Under the statute he must.

Mr. Browne (St. John's West): Yes, he must do it under the statute. He does it and he has done it in regard to this one and he has certified that he has satisfied himself that this does not interfere with the provisions of the bill of rights.

(Translation):

Mr. Deschatelets: Mr. Chairman, I should like to say only a few words to support the important point which has been raised by the hon. member for Essex East (Mr. Martin).

The hon. member has repeated the well known legal saying that a man is innocent until he is proven guilty. I should like to add to the point that has been made.

We are presently dealing with criminal law. Now, it is obvious that under section 33, the accused will have to take the stand to overthrow the presumption of guilt which that section sets on him. Since when is an accused compelled to take the stand in a criminal case? It is up to the crown to make a case and if it does not succeed, the judge must dismiss the charge without the accused having to appear on the witness stand.

That, I feel, is one of the most important points. Under section 33, the accused has to take the stand to dismiss the presumption of guilt which hangs over his head.

I feel that the point raised by the hon. member for Essex East is of momentous importance, and I would suggest to the minister that we should postpone the examination of section 33 until the Minister of Justice (Mr. Fulton) has had a chance to consider that section in relation to the bill of rights we adopted last year.

Mr. Martineau: I should like to say a word following the remarks of the hon. member for Essex East (Mr. Martin) and the hon. member for Maisonneuve-Rosemont (Mr. Deschatelets). The only thing I see when I look at section 33 is that it provides for a procedure in the matter of evidence. In other words, the onus has merely been shifted. The crown must first prove possession and once that is done, the trial follows the normal principles of justice according to which the accused is presumed—

Mr. Deschatelets: Would the hon. member allow me to ask a question?

Mr. Martineau: Just a moment, let me finish my argument and then the hon. member may ask his question.

Once this first step in the hearing is completed, and assuming evidence as to possession has been established, then the accused is called upon to prove that he was innocent of such possession.

The hon. member for Maisonneuve-Rosemont seemed to think that an innovation in criminal law was involved. Well, I am quite sure he must remember that such procedure regarding the burden of the proof already exists in the Criminal Code. I am thinking specifically of the indictment of receiving and concealing where the crown must establish possession of goods recently stolen, and then the accused has to establish that he was innocent of such possession.

Such provision has been part of our penal law for many years. Nobody ever suggested that the accused was deprived of a fundamental right because he had to establish his innocence as far as possession of stolen goods was concerned. Therefore, there is no inconsistency between this provision and the bill of rights.

Mr. Deschatelets: Mr. Chairman, I shall not put my remarks in question form. I only want to add this: could the minister tell me whether the point I am going to raise is well taken or not?

Here is the case of a man who is brought before the courts under the charge of being in possession of controlled drugs under this amendment. The crown proves the fact of possession. Now under this section, the accused must stand in the witness box to deny this legal presumption created by possession. The hon. member who has just spoken—

Mr. Martineau: Would the hon. member allow me a question?

Mr. Deschatelets: —is well aware that under this act, possession is not illegal in every case, mere possession is not illegal. Possession is illegal only for traffic purposes.

Mr. Martin (Essex East): That is correct.

Mr. Deschatelets: Then how can these things go together?

Mr. Martineau: Is it not also true that possession of stolen goods is not illegal in every case?

Mr. Deschatelets: I do not want to drag in another problem. The problem we now have to settle is quite serious, and I would like the minister to explain this. We require the accused to go into the witness box to disprove a legal presumption under this act, when mere possession is not controlled under this amendment.

Mr. Martineau: There is one thing I should like to point out with respect to the remarks of the hon. member for Maisonneuve-Rosemont. He says we require the accused to go into the witness box to prove the nature of his possession. However, he need not necessarily go into the witness box to prove it; he can prove his innocence in a number of ways, and if he chooses to enter the witness box, he does so of his own free will.

Under this act, no obligation is placed on the accused to go into the witness box. If there were such an obligation, I would entirely agree with the hon. member that there is a violation of one of the basic principles of our criminal law.

(Text):

Mr. Crestohl: Mr. Chairman, we are dealing with section 33 which refers us back to section 32. We are really back to the discussion we had on subsection 1 of section 32. Subsection 2 of section 33 provides in part as follows:

> If, pursuant to subsection 1, the court finds that the accused was not in possession of a controlled drug, he shall be acquitted—

Section 32, subsection 1, does not speak of possession at all. If the minister's previous explanation had to do with the possession or sale of a controlled drug and if in fact it was not a controlled drug and the person only made a representation he must be acquitted under section 33. If he must be acquitted when he merely makes a representation about something that is not a controlled drug by saying that it is, what is the purpose of setting up a straw man in section 32 which you knock down in section 33? Would it not have been wiser, and I repeat what I said before, to refer in section 32 to the person being in possession of something that might be an ingredient of a controlled drug and then section 33 would follow logically?

Mr. Browne (St. John's West): May I point out to the hon. member that we are dealing with the offence under section 32, subsection 2, which provides that no person shall have in his possession any controlled drug for the purpose of trafficking. That is what we are dealing with and not the other point to which he has referred.

Mr. Crestohl: Subsection 2 of section 33 says:

> If, pursuant to subsection 1, the court finds that the accused was not in possession of a controlled drug—

Mr. Browne (St. John's West): It refers to subsection 1 of section 33.

Mr. Crestohl: Subsection 1 of section 33 speaks of section 32.

Mr. Browne (St. John's West): It speaks of subsection 2 of section 32.

Mr. Crestohl: If that is the case, I am probably in error but I would point out that it certainly is very confusing. It is certainly far from clear. I think ordinarily one cannot see the matter with the clarity with which the minister sees it. At this point, I should like to say that the mere fact a draftsman writes a document which is brought before the house does not make it sacrosanct. Surely, when suggestions are made for changes, they should not be rejected out of hand.

Mr. Monteith (Perth): Just a minute, Mr. Chairman; that is entirely unfair. We have already accepted an amendment moved by the hon. member for Essex East.

Mr. Martin (Essex East): That being the case, I hope the minister will accede to the suggestion made by the hon. member for Maisonneuve-Rosemont or an amendment which he may propose himself to deal with the situation I have indicated and which has been confirmed by my two colleagues.

Subsection 1 points out that if the accused does not plead guilty—that is the controlling situation—then the trial proceeds as if the issue to be determined were whether or not the accused was in possession of a controlled drug. Now, these are the governing words. Once the accused fails to plead guilty, then the trial proceeds as if the only issue were whether or not the accused was in possession

of a controlled drug. This provision is a clear violation of the bill of rights because it imposes a presumption of guilt, which is contrary to the bill of rights.

Mr. Macdonnell: May I ask the hon. member a question? He says it imposes a presumption of guilt, and I do not follow that at all.

Mr. Martin (Essex East): If the hon. member will just listen to the rest of my argument, I would point out that the controlling provision is subsection 1 of section 33. If the accused refuses to plead guilty, then the issue to be tried is whether or not he was in possession or is in possession of controlled drugs. From that moment on, under subsection 2 an obligation is imposed upon him to indicate that he was not in possession of a controlled drug within the meaning of this section.

Then, if you look at subsection 3, you find that if the accused satisfies the court that he was not in improper possession of the drugs, he will be acquitted of the offence. This only happens if he establishes the fact himself that he has not been in possession of controlled drugs.

We come back to the beginning. I repeat, where he refuses to plead guilty the issue is whether or not he was in possession of a controlled drug. Only when he can satisfy the court that he was not in possession of a controlled drug will he be regarded as not having come within the mischief of this section. Now, if that is not imposing upon the accused an onus which normally resides with the crown, then I will be very greatly surprised. This is done in an indirect way, and that makes the situation all the more serious because it is only by a careful reading of the provision that one sees there is no doubt that the presumption of establishing his innocence when he refuses to plead guilty is imposed upon the accused. This is contrary to the bill of rights. I ask the minister to either allow the section to stand or to move an amendment which will remove the government from any stigma of having introduced a measure itself which is clearly contrary to the bill of rights.

Mr. Montgomery: Mr. Chairman, I have a lot of respect for the hon. member for Essex East. I know he is an experienced lawyer, and I have a lot of respect for his opinions. However, I certainly do not agree with his interpretation of this section. He has misread it. If a man does not plead guilty, the onus is still on the crown. First, the onus is on the crown to show that the man was in possession. Then, the onus may shift and he may explain it as the trial goes on. Now, that is not putting any unfair obligation upon the accused. He explains it, and he is found not guilty. If he cannot explain it, then the crown must go on to show that he has the drug for illegal purposes. Unless the accused can explain why he has it, then he is guilty. I do not read the provision the way the hon. member does. I do not think the man is put in jeopardy. I do not see that the provision can be changed in any way. We have many statutes containing such provisions where the man himself is caught with the goods and he is the only person who can really explain why he has them. I do not see how the suggested amendment would help. I do not see the provision the way the hon. member does, and I do not think the man is put in jeopardy.

(Translation):

Mr. Deschatelets: Mr. Chairman, I should like to make a few comments on what the hon. member has just said, because he does not seem to understand.

(Text):

Mr. Montgomery: I understand quite well.

(Translation):

Mr. Deschatelets: With his permission, I shall give him some explanation about our stand with regard to section 33.

The hon. member will remember that the minister clearly stated earlier that possession only does not constitute an offence under this amendment. Therefore, if a person is indicted, it will necessarily be for drug trafficking. The charge made, it will be quite easy for the crown to prove possession, of course, since the individual has been found in possession of the drug. After the crown has proved possession, which is not illegal in itself, under this bill, we throw upon the accused the necessity of testifying in order to prove that he is not guilty as presumed, by saying what he intended to do with that drug. If the accused is able to prove that he is in possession of this drug for his personal use only, then I understand he will be acquitted. But, if the accused refuses to testify, under section 33(3), the judge must convict him of the offence, whereas possession only, under this bill, does not constitute an offence. This is our opinion on the matter.

(Text):

Mr. Martin (Essex East): Is the minister going to accept the suggestion that we allow the section to stand and go on with the other sections?

Mr. Monteith (Perth): Yes, I am content to let it stand, Mr. Chairman.

The Chairman: Shall section 33 stand?

Some hon. Members: Agreed.

The Chairman: Shall section 34 carry?

Mr. Martin (Essex East): I would suggest that section 34 (1) be allowed to pass. Subsection 2, however, reads in part:

In any prosecution under this part the burden of proving that an exception, exemption, excuse or qualification prescribed by law operates in favour of the accused is on the accused,—

Perhaps the minister would allow this subsection to stand as well, then the minister could give it consideration and we could discuss it at the next stage.

Mr. Monteith (Perth): Agreed.

The Chairman: Shall section 34 (1) carry?

Some hon. Members: Carried.

The Chairman: Shall section 34 (2) stand?

Some hon. Members: Agreed.

The Chairman: Shall section 35 carry?

Some hon. Members: Agreed.

The Chairman: Shall section 36 carry?

Mr. Martin (Essex East): I have a question on section 36 (3). Will the minister explain to me why, in section 36 (2), there is mentioned a warrant to search a dwelling house to be issued by a magistrate and then in section 3 there is the provision that a writ of assistance may be obtained from the judge of the Exchequer Court of Canada? Why is it necessarily or exclusively the Exchequer Court of Canada?

Mr. Monteith (Perth): This is a special authority. The writ of assistance is a special authority for which provision is made in the narcotic act and the Excise Act. In effect, this clothes the person named therein with the general powers to search dwelling houses as well as other places. The writ of assistance in this legislation will be issued only on application of the Minister of National Health and Welfare in accordance with the prevailing practice under the narcotics act. The writ will be issued only to members of the R.C.M.P. at the request of the commissioner of that force; and here it will be limited to the persons who are actually engaged in the specific duties connected with the suppression of the traffic in controlled drugs. There will certainly be no abuse of this authority. It is simply a writ of assistance to permit search by peace officers, that is members of the R.C.M.P. squad connected with this particular work.

Mr. Martin (Essex East): I thank the minister for his reply. I know the purpose of the writ and I know what a writ of assistance is, but my question was this. Why must this necessarily be given on application by the minister only to an exchequer court judge? Suppose this situation exists, for example, in Vancouver. Suppose a situation arises such as that which prevails in Montreal and quick action may be required. What we are looking for, of course, is the most effective enforcement of this measure.

Mr. Monteith (Perth): If I might just interrupt the hon. member at this point I should like to say this. This is a standing order or permit to search. It is entirely different from section 36 (2). It is a general authority to search, for these particular people who are attached to this particular type of work.

Mr. Martin (Essex East): Does the minister mean that the writ of assistance gives them the right, apart from any particular case covered in a particular application, to go in at any time? I do not think so.

Mr. Monteith (Perth): It means the individual.

Mr. Martin (Essex East): Surely. But only with respect to a particular situation. It is not a blank cheque. It is not an authorization by the exchequer court to Mr. X to go in and examine the premises of anyone, anywhere, in any part of Canada, at any time.

Mr. Drysdale: It states "any dwelling house".

Mr. Monteith (Perth): This same procedure is provided for in the Customs Act and in the Excise Act and it has been in the narcotics act for many years. It is the same procedure that is devised here, word for word.

The Chairman: Shall section 36 carry?

Mr. Crestohl: Section 36 (3) contains these words: "A judge of the Exchequer Court of Canada shall upon application by the minister,". Does the minister now mean to inform the committee that an application will be made just once for a writ that will provide a blanket authority or does the section mean that whenever a case arises an application can be made to the minister for the issue of such authority? What do the words "upon application" mean?

Mr. Monteith (Perth): If I may, I shall put it in this way. Suppose a certain member of the R.C.M.P. is appointed to the squad, shall we say, to investigate this type of case. The commissioner of the R.C.M.P. requests me to apply to the Exchequer Court of Canada for a writ of assistance for this particular police officer in charge of the squad. Then while he is holding that particular position this one writ of assistance will cover him in his duties covering more than one

case. But this has been common practice for many years. The moment this particular officer moves on to another position or leaves the squad and that sort of thing, of course the writ of assistance is moved from his possession. He no longer has it. On somebody new taking over this position, he obtains one as a consequence of the commissioner of the R.C.M.P. asking me to apply to the exchequer court.

Mr. Martin (Essex East): Will the minister explain section 36 (6) wherein it is provided that the applicant will be entitled to possession of the controlled drug upon the hearing of an application made under subsection 5 and the magistrate is satisfied as to the circumstances. If I may, I should like to refer just briefly to section 33, subsections 1, 2 and 3. What are the circumstances in which an individual is entitled under this act to be in possession of a controlled drug? Is it only where the court has been satisfied that he is not trafficking? If he can satisfy the court that he is not trafficking, is there any qualification of his right of possession of a controlled drug?

Mr. Monteith (Perth): If he is not found guilty of trafficking he is entitled to the return of the controlled drug or if no charge is laid he is entitled to the return of the controlled drug.

Mr. Martin (Essex East): That is what I thought.

The Chairman: Shall section 36 carry?

Some hon. Members: Carried.

Mr. Martin (Essex East): Will you allow me to go back to section 37(1)(f).

The Chairman: Yes.

Mr. Martin (Essex East): This paragraph has to do with the sanction against persons covered in paragraphs (a), (b), (c) (d) and (e) and they include those who are manufacturing, selling, importing, transporting, delivering and so on. One of the important ways by which this measure will become effective is by trying to get at the source of import or importation and the source of manufacture. Assuming guilt on the part of the manufacturer or on the part of the importer, does the minister consider the sanction provided here of a fine of five hundred dollars or a term of imprisonment not exceeding six months to be sufficient? Does he not think that it is wholly unrelated to the punishment provided for in section 32(2)?

Mr. Monteith (Perth): Yes, Mr. Chairman; I think so, for this reason. Actually, if in the search of records and so on, we find that somebody has actually been violating the law, he will probably be found guilty of trafficking and then he will be subject to the other sentence under the other section. This probably might be a procedural error or some technical mistake. We feel, as a consequence, that these fines or these penalties are sufficient for violation of the regulations. But, as I say, if as a result of searching the records, he is found to have been trafficking he will then be guilty of an offence under the other section.

The Chairman: Shall clause 37 carry?

Some hon. Members: Carried.

Some hon. Members: Shall clause 38 carry?

The Chairman: Shall clause 1 carry, including all sections? Oh, no. We have allowed section 33 to stand.

Mr. Martin (Essex East): No. We allowed section 33 and section 34(2) to stand.

The Chairman: Shall clause 2 carry?

Mr. Martin (Essex East): No. Section 34(2) stands.

The Chairman: Yes, but shall clause 2 of the bill carry?

Some hon. Members: Agreed.

Clauses 2 and 3 agreed to.

The Chairman: We are going back to section 33, clause 1.

Mr. Martin (Essex East): All of section 33 stands.

Mr. Monteith (Perth): I wonder if the committee could rise at this stage and report progress and ask leave to sit again.

Mr. Churchill: We have other business to proceed with in committee. I think the minister had indicated simply that we would move the adjournment of proceedings on this bill in committee.

The Chairman: Yes, but the committee has to report, because it has no other purpose than to consider this particular bill.

Progress reported.

FREIGHT RATES REDUCTION ACT

AMENDMENT EXTENDING APPLICATION OF REVISED RATES

Hon. Leon Balcer (Minister of Transport) moved that the house go into committee to consider Bill No. C-93, to amend the Freight Rates Reduction Act.

Motion agreed to and the house went into committee, Mr. Flynn in the chair.

Freight Rates Reduction Act

On clause 1—*Extension of time.*

Mr. Chevrier: Has the minister any statement to make?

Mr. Balcer: No.

Mr. Chevrier: I should like to get some information in connection with this clause. This clause does two things. It extends the Freight Rates Reduction Act which was passed previously for a year, that is, until April 30, 1962. It also purports to make retroactive the payments which are authorized by the former act so that during the period of time between April 30, 1961 and the date when this act is proclaimed there may be no loss of revenue to the railway companies. I do not think the bill does that, and I will tell the minister why. As far as the reduction of freight rates is concerned, I think that is provided for effectively. I think this bill does reduce the rate to the shipper. But I do not think that the way in which it is worded here gives the railways the moneys which they would be entitled to receive between April 30 and the date when the act will be proclaimed. My reason for thinking so is this: the board of transport commissioners may reduce a rate or it may increase a rate, but it cannot make a rate retroactive and therefore it cannot make a payment retroactive. The decision has been made as far as the shipper is concerned by the railways filing a tariff reducing the rate as on May 1, 1961, but in so far as the railways themselves are concerned, since the board of transport commissioners cannot make the payment retroactive it seems to me that there is a weakness in this clause. I may be wrong and if that is the case I should like to be corrected.

Mr. Balcer: I should like to direct the attention of the hon. member for Laurier to clause 1 itself. I think we have discussed this in the committee—

Mr. Chevrier: No.

Mr. Balcer: I went over the whole matter. The hon. member put the same question to the experts who appeared as witnesses before the committee. All I can do is to refer the hon. gentleman to the bill itself.

Mr. Chevrier: Will the minister permit me to interrupt? I did not ask that question. I did take part in the discussion the first day but when this clause came up for discussion I was, unfortunately, not present or I would have raised the matter in the committee.

Mr. Balcer: I am sorry. It was raised by the hon. member for Essex East. The only difference between this bill and the previous bill lies in precisely the last few lines of clause 1 where we say:

> —and in such cases diminution in the gross revenue of a company resulting from the continuation in effect after the 30th day of April, 1961, and before the day on which the extension became effective of the revised rates set forth in the order shall for the purposes of the Freight Rates Reduction Act be deemed to have resulted from an order made by the board under that act.

I think it is quite clear that this bill gives power to the board of transport commissioners to pay the railroads with exactly the same effect as if an order had been made by the board under the act. As the hon. member said, the shippers will not lose anything because both railway presidents wrote a letter a few days before April 30 stating that they did not intend to file tariffs to bring this increase to 17 per cent back into force. Thus, the shippers carried on business and continued shipping at rates which were the same as the rates which had been reduced to 8 per cent by the previous bill amending the Freight Rates Reduction Act. The reason why the railways will be in a position to recover the amount which might be lost to them on account of the delay in the passage of the bill is because after the end of each month there is a time lag of two or three months before the companies are able to process and submit their bills for that month's traffic. Consequently, bills for March and April, for instance, have not yet been received. The same applies to the month of May. Once the board receives the bills and issues an order, then they can be paid.

I suggest that is exactly what will happen. The period between April 30, and the day that this bill receives royal assent, is covered, because the railway companies will produce bills covering that period of perhaps two months, and will receive payment once the board has issued an order under the appropriate section of the act. It is my opinion, therefore, that the shippers and the railway companies will be looked after.

Mr. Chevrier: Mr. Chairman, I have no doubt that the shippers will be looked after, and am quite satisfied that their case is covered. However, the minister has suggested that the last part of the clause, which is intended to cover the making of retroactive payments to the railways authorizes the board of transport commissioners to do so, and I suggest that is the weakness. If I understand the situation correctly, the board of transport commissioners has no authority at all to pay the railways, and the only person who can do so is the Minister of Finance.

Mr. Balcer: Yes, that is right.

Mr. Chevrier: The board has no authority to pay the railways under this section, and that is why I feel some further amendment should be included to authorize the Minister of Finance, after the board has decided what the amount is, to pay that amount to the railways. I suggest the last part does not cover that situation.

Mr. Balcer: I am sorry, Mr. Chairman, but I disagree with the hon. member. Section 4 of the present act reads as follows:

4. (1) The Minister of Finance may, with the approval of the governor in council and on the recommendation of the board, pay to a company out of the consolidated revenue fund, an amount that in the opinion of the board is equal to the diminution in the gross revenue of the company resulting from an order made by the board under this act.

Therefore, Mr. Chairman, I suggest that the order mentioned in this bill is that order which is deemed to have resulted from an order made by the board under the act. I think that premise is found in the last few lines of clause 1 of this bill.

Mr. Chevrier: Mr. Chairman, I do not intend to pursue this unduly, and if the minister is satisfied that the situation to which I have referred is covered by the present bill, I shall not hold up the legislation. However, the minister did say that this clause authorizes the board to pay the railway. Am I correct in that statement.

Mr. Balcer: I beg your pardon?

Mr. Chevrier: Did the minister say that the last part of this clause authorized the board to pay the railways?

Mr. Balcer: Mr. Chairman, the railways are to be paid by the Minister of Finance, not by the board. I quite agree that I made a mistake in that regard. Under section 4 of the act, the Minister of Finance is authorized to pay the railways.

Mr. Chevrier: In view of that statement, the minister and I are apparently in accord, in that it is not the board of transport commissioners that pay the railways, but the Minister of Finance. That being the case, and in the light of the amendment submitted, is the minister satisfied, that there is sufficient authority to make the payments retroactive to April 30 from the time this act is proclaimed, as the clause is now worded?

Mr. Balcer: Mr. Chairman, line 5 of section 4 states that:

—in the opinion of the board is equal to the diminution in the gross revenue of the company resulting from an order made by the board under this act.

Mr. Chevrier: What is the minister reading from?

Mr. Balcer: From the act itself.

Mr. Chevrier: From the original act?

Mr. Balcer: Yes, section 4 of the original act. The portion of this bill which amends the original act reads as follows:

—the revised rates set forth in the order shall, for the purposes of the Freight Rates Reduction Act, be deemed to have resulted from an order made by the board under that act.

I think that wording in the bill means exactly the same as the wording in the original act. This bill provides that the period be covered, because the diminution shall be deemed to have resulted from an order made under the act. I think that covers the situation, because there is a clear relationship between the two.

Mr. Chevrier: I raised the question because I thought it was ambiguous. Had I been present at the committee meeting, when the discussion took place in respect of that clause, I should have raised the question in the same manner I have raised it here, because I am not satisfied with the wording. However, if the minister tells us that his officers feel that the wording is sufficient, I shall not hold up the bill any further.

The Chairman: Shall clause 1 carry?

Clause agreed to.

On clause 2—*Limit.*

Mr. Herridge: Mr. Chairman, could the minister explain the background to this increase of $20 million in the amount provided by this bill in respect of freight rates reduction?

Mr. Balcer: Mr. Chairman, I think I explained that quite fully both at the resolution stage and in discussion on the bill during second reading. This legislation is what is termed "roll-back legislation", and is provided to make sure that the reduction of 7 per cent in freight rates, resulting from the roll-back from 17 per cent to 10 per cent, will be covered. For that purpose, an amount of $20 million is set aside to pay the railways, through the Minister of Finance, on the order of the board of transport commissioners. The railways send their bills to the board of transport commissioners at the end of each month for the recommendation of that board, in order that the Minister of Finance can make payment. The board of transport commissioners, as a result of this procedure, have recommended that $20 million will cover the roll-back resulting from the 2 per cent reduction in the change from 10 per cent to 8 per cent.

It will be recalled that last year, when a similar bill was presented to the house by my predecessor, at the same time he announced the creation of the royal commission

on transportation, he indicated that while the royal commission was making a complete study in respect of the problems of transportation in Canada, this act should be extended for another year so as to eliminate the possibility of any discrimination occurring to shippers during that period. That is why the government put forward an amendment to the Freight Rates Reduction Act at that time, in respect of the $15 million increase.

The report of the MacPherson commission was received by the government very recently, and until legislation based on this report can be implemented in the house the government felt that this roll-back legislation should carry on for another period. This is why we have extended it for a period not exceeding one year. We have also substituted for $35 million the amount of $55 million. Actually, all that this legislation does is to carry on the roll-back legislation which was introduced in the house two years ago.

When the government brings forward legislation based on the MacPherson report it will then consider whether or not it will carry on with this program. The provision is for one year which actually ends on April 30, 1962.

Mr. Herridge: I thank the minister for his brief explanation. The $55 million is an estimate; that is, it is the outside total. It will not necessarily all be used.

Mr. Balcer: That is right. If the situation remains as it is until April 30, 1962, it will be used because the $20 million covers the roll-back on the freight rate from 17 per cent to 8 per cent. The original increase of 17 per cent has been rolled back to an increase of 8 per cent, and the difference of 9 per cent is covered by the $20 million mentioned in clause 2 of the bill.

Mr. Chevrier: Why is the amount fixed at $20 million? Is it because it takes that amount of money to provide for a continuation of the reduction?

Mr. Balcer: Yes; it is based on the experience of the first year, Mr. Chairman. The original act was for $20 million and it was intended to cover the roll-back of 7 per cent, but the experience of the first year has shown that this amount covers more than the 7 per cent. Actually it produced a reduction of 9 per cent instead of 7 per cent.

Mr. Chevrier: What was the amount of the subsidy in the second year?

Mr. Balcer: It was $15 million.

Clause agreed to.

Title agreed to.

Bill reported, read the third time and passed.

[Mr. Balcer.]

BUSINESS OF THE HOUSE

Mr. Churchill: I suggest that at this stage we might take item No. 10 on today's order paper, which is the resolution dealing with the War Veterans Allowance Act. We debated this at some length on May 16. If the resolution passes tonight the bill will be distributed in the morning and be available for second reading tomorrow. After second reading it will be sent to the standing committee on veterans affairs. If this is agreeable, then we can consider tonight item No. 1 on today's order paper which is Bill No. C-88 to amend the Army Benevolent Fund Act. This is a small bill which has already been examined by the standing committee on veterans affairs and has come back to the house.

Mr. Chevrier: We have no objection.

Mr. Churchill: If the house finishes these two items in good time I do not think anybody would object to rising early.

Mr. Chevrier: This is not the order in which the business was given last night but there is certainly no objection, so far as we are concerned, to taking item No. 10. As the house leader says, it has been discussed on a number of occasions and it can be taken now.

WAR VETERANS ALLOWANCE ACT

AMENDMENTS TO INCREASE RATES OF ALLOWANCES AND INCOME CEILINGS, ETC.

The house resumed, from Tuesday May 16, consideration in committee of the following resolution—Mr. Churchill—Mr. Flynn in the chair:

That it is expedient to introduce a measure to amend the War Veterans Allowance Act, 1952, to increase the monthly rates of allowances and permissible income ceilings; to allow for further exemptions in property and income; to modify certain conditions of service eligibility; to allow for administrative and organizational changes within the board and to provide for certain further changes in connection with the administration of the act.

Resolution reported and concurred in.

Mr. Churchill thereupon moved for leave to introduce Bill No. C-101, to amend the War Veterans Allowance Act.

Motion agreed to and bill read the first time.

Mr. Speaker: Is it the intention that this bill be given second reading now?

Mr. Churchill: Second reading at the next sitting, sir.

ARMY BENEVOLENT FUND ACT

AMENDMENTS TO INCREASE RATES OF INTEREST, PROVIDE FOR ADMINISTRATIVE CHANGES, ETC.

The house in committee on Bill No. C-88, to amend the Army Benevolent Fund Act—Mr. Churchill—Mr. Flynn in the chair.

On clause 1—*Interest.*

Mr. Jones: Mr. Chairman, this bill has been considered very carefully in the Veterans Affairs Committee. Many items were discussed in the committee which I think settled some of the problems that were raised in the house when the bill was before us on an earlier occasion. A request had been made to extend the provisions of the fund to Newfoundland veterans but that was dealt with in the committee by pointing out that those who contributed to this fund were the only ones who were entitled to share in the fund.

The fund arose as a result of various activities of the Canadian army in the second world war and it is those veterans of that particular army who are entitled to the benefits of the fund. R.C.A.F. veterans, for example, cannot make use of this fund. Neither can navy veterans use the fund nor army veterans of the first world war. As I pointed out when this matter was before the house on a former occasion, the moneys in the fund were derived from the regimental funds of army units, from auxiliary services, from Bronco, from the navy, army and air force institutes and from various miscellaneous sources, all of which funds resulted, as I have mentioned, from the sale of comforts and so on to the soldiers of the Canadian army.

There are certain Canadian funds in existence from the first world war. To my knowledge only three are left now, those in Ontario, Manitoba and New Brunswick. Originally such funds existed, I believe, in nearly every province in the country but as the moneys in these funds were used up the administrations closed their doors and the funds ceased to exist.

There is still a good deal of money left in the fund we are considering now and the purpose of the bill is explained fairly adequately in the explanatory notes accompanying the bill. Without going into a clause by clause discussion of the bill at the moment, I might point out that it has been thought that the interest rates should be increased as set forth in the bill to bring them in line with interest rates paid on similar funds held by the government of Canada.

Second, the purpose of the bill is to make an adjustment in the way the salary of the secretary is fixed in order that this matter may be removed from the statute and the salary fixed by the board itself. I understand the secretary has not received any increase in salary for a number of years and it is thought that to have his salary made statutory is not a convenient way to deal with it.

In the standing committee it was suggested by the Canadian Legion that the interest rates should be increased still further than is set forth in the bill. When you increase interest rates on this or any other fund, I suppose it is always possible to suggest that the rate should be increased still further but the figure that has been selected in this case has been chosen on the basis of the principles which have existed for the setting of the interest rate on this fund in times past, particularly in 1952 and also in 1947 when the fund was originally established. Therefore I think we had better stick to the original principles for the setting of these interest rates, and the activities of the fund, will, of course, be tailored in accordance with the amount of money available.

I think that is all I can usefully say at the present time. As I mentioned, the bill was discussed very thoroughly in the standing committee and we are bringing it forward now for consideration in committee of the whole house.

Mr. Forgie: Mr. Chairman, as the parliamentary secretary has said, this matter was discussed very thoroughly before the veterans affairs committee and the only subject of controversy at the present time is the rate of interest to be paid on the fund. The fund does not belong to the taxpayers of Canada or to the government but rather to the army veterans of world war II, and the same careful consideration should be given to the investment of these funds as the government or any other organization gives to the investment of funds. Before the veterans affairs committee the parliamentary secretary said, as found on page 313 of the proceedings of the committee:

> The amendment to the act is a straightforward operation to increase the interest rate by one half per cent on each of the two categories mentioned in the bill. This increase brings it in line with the general type of interest paid by the government to funds of a similar character. I think that is all that needs to be said about the interest factor.

With that statement I do not agree because if the parliamentary secretary will refer to page 326 of the proceedings of the veterans affairs committee—

Mr. Jones: On a point of order, Mr. Chairman, I think it is not customary to read from the proceedings of committees of this house when we are dealing with a matter in the house itself.

The Chairman: Do I understand that the committee has reported? The committee has reported the bill and therefore I do not see how this rule would apply in the present case. It seems to me that the discussion in the standing committee with respect to this bill would be relevant to the discussion in this committee.

Mr. Herridge: On the point of order, Mr. Chairman, that is quite correct. The committee dealt with the bill and reported it back to the house and in the past we have followed this practice when the work of the standing committee has been concluded.

Mr. Forgie: I want to bring into focus the question of the interest rate payable on the fund. I think there are two courses open. One is for the fund administered by the army benevolent fund committee to be invested by them. The other is that the government should pay the same rate of interest on the fund that they paid to borrow money in the conversion loan which falls due in 1983. At the present time the prevailing rate of yield on conversion loan bonds is 5.14 per cent. If these moneys were invested at 5.14 per cent the fund would be able to carry on, as was originally planned when the act was passed in 1947, for a period of 50 years at which time the fund would be exhausted.

The Canadian Legion made the following recommendations before the veterans affairs committee:

> The Canadian Legion, therefore, believes the government must accept that the minimum rate at which money can be obtained in the open market is somewhere between 4½ per cent and 5 per cent, and that this should be acknowledged by establishing a rate such as 4¾ per cent as the minimum to be paid by the receiver general to the army benevolent fund in respect of the balance which is available to the government at all times. We believe that by increasing the rate to 4¾ per cent per annum it would mean that the fund would have available more adequate means with which to meet the original intent of this legislation.

There is no doubt about it, Mr. Chairman. If the 4¾ per cent rate were to prevail across the board in relation to these moneys, there would be a considerable increase in the return on the moneys but it would not be adequate to take care of this fund for the full period of 50 years. I am suggesting, therefore, that the yield that should be obtained from this army benevolent fund should be the same as that obtained from the conversion bonds which are yielding about 5.14 per cent. These were the last figures I had, and they may have changed fractionally since then.

Let us look at the remarks of Mr. Chadderton, as they are recorded on page 314 of the evidence of the veterans affairs committee. He had this to say:

[Mr. Jones.]

> We started with $9,200,000. Today we have left $6,500,000. So we have spent in cold cash from the fund, we have depleted the fund, in other words, in the amount of $2,700,000. In addition, we have had revenue through interest of $3,500,000. So the total amount now spent is $6,200,000. We operate this fund on an actuarial plan, which envisaged 30 years of full operation from 1947. The act states that we must remain in business for 50 years. The actuarial plan provides for a full period of operation of 30 years with a small residue to take care of the remaining 20 years. This, Mr. Chairman and gentlemen, offers a very serious problem to the army benevolent fund. I have already noted that we have left today only $6,500,000, but in accordance with this actuarial plan, we should have $7 million. So we have had to overspend to the tune of $500,000.
>
> We had a new actuarial plan drafted at the end of the last fiscal year. The figures which the department of insurance gave us were such that we would have to reduce our expenditure for welfare grants and administration to $450,000 a year. Even with the proposed increase in interest in the bill before the parliamentary committee today, we can increase our expenditure to only $470,000 a year, even if we should get this increase in interest. The actual expenditures have averaged over the past 10 years $530,000 a year. We are facing a very serious problem, and our board sees one of two alternatives; either they must cut down on the amount that we spend each year and leave deserving cases out in the cold, or secondly, we must reduce the remaining 17 years of operation of the fund. Our board would not wish to do either of these things, because we have operated from the start on the principle that the veteran who is in trouble today is just as much entitled to assistance as the veteran who was in trouble at the start of the fund. And by the same token, if a veteran is in trouble 17 years from now, he should still have the availability of the army benevolent fund.

I asked Mr. Chadderton the following question as recorded on page 319 of the evidence:

> Let me ask you another question: Do you feel that a higher rate of interest could be obtained if this fund were placed in the hands of a committee of the army benevolent fund, and that they should be allowed to invest this fund as they saw fit? You recall that it is not government money. You have already stated it. This money belongs to the veterans. Would it not be advisable to transfer to that committee from the government, or the receiver general, or the consolidated revenue fund, or whoever does the investing of the army benevolent fund?
>
> Mr. Chadderton: Well, Mr. Chairman, I want to correct one figure. Mr. Forgie's figures are exactly correct except that we have 17 years left, not 18. The question of investing this fund privately has been under consideration with our board from the commencement of the fund. We have had advice from independent investment counsellors who are connected with our fund, and they have told us at various times that we could certainly expect a higher yield than we are receiving under the act. The last such investment advice we had was in September of 1960 at which time we were told we could expect, through private investment—bearing in mind the outcome from the fund, something in excess of 4½ per cent.

As I have stated, today we could get through the purchase of conversion bonds, 4¾ per cent conversion bonds, a yield on the basis of 5.14 per cent. If the government

is desirous of investing this fund, in which they have no pecuniary interest, then I suggest they buy conversion loan bonds which are selling at a discount today. They could, thereby, put this fund in a position to carry on for the period of 50 years as contemplated at the time the act was passed in 1947.

I would suggest, Mr. Chairman, to you that the recommendation of the Canadian Legion, while worth while, is not adequate. If the government intends to invest this fund, then the minimum yield should be about 5.14 per cent or the bid price of conversion bonds at the present time.

Mr. Herridge: I am rather hurt, Mr. Chairman, to see the parliamentary assistant rising to close the debate on this clause.

Mr. Jones: The debate is not closed when I rise to reply to an hon. member.

Mr. Herridge: I was just going to congratulate him on his first opportunity to pilot a bill in the house.

This bill did receive very careful consideration by the standing committee on veterans affairs. It is a rather simple bill and is only concerned with interest rates. It was surprising, therefore, the interest which was shown in the administration of the fund. We received an excellent explanation of the administration of the fund from Mr. Chadderton, the secretary. He explained the various aspects of the fund, the forms of expenditure and things of that sort. I think it is quite fair to say that all members of the committee, regardless of party, were impressed by his explanation of the administration of the fund over the years. He explained the way grants were made to veterans. We found that there were even lady veterans now getting assistance on occasion from the fund for the purpose of assisting them in coping with circumstances over which, in the majority of cases, they had little control.

I think it is safe to say we were all convinced that the administration of the fund was sound, humane and in the interests of the veterans it was intended to serve. The trustees of this fund certainly should be commended for the work they have carried on throughout these years. We also heard some interesting representations from the Canadian Legion. Their brief showed a good knowledge of the administration of the fund and the financial aspects of the fund, as explained by the previous speaker. I am not going to take the time of the committee to deal with the interest question in full because he covered the situation quite fully in his remarks, and in his quotations from the record and from Mr. Chadderton's explanation to members of the committee.

After hearing the representations from a representative of the Canadian Legion and after hearing Mr. Chadderton's explanation of the financial condition of the fund, the intended life of the fund and the responsibilities there were in connection with the years ahead, I made a motion, seconded by the hon. member for Lanark; and the committee recommended that the government give consideration to the recommendations of the Canadian Legion in this respect which were, in brief, to provide for an interest rate of 4¾ per cent in order to ensure that the fund would last over the period of 50 years and meet the circumstances it was expected would have to be met during that period. That motion was adopted by the committee after some discussion, although I must say that I agree with the hon. member who spoke previously. During the debate on second reading I think I suggested that the interest rate should be 5 per cent and I think the hon. member suggested a similar figure, in order to meet this situation. These funds belonged to the veterans whom they are intended to serve and for whom they are intended to provide grants under certain circumstances.

I must say that I am very sorry that the government has not seen fit to accept the recommendation of the committee which sprang from the recommendations of representatives of the Canadian Legion which we considered were sound, responsible and in the interests of the veterans whom the fund was intended to serve. As members of the opposition we are not in a position to move an amendment to this clause when it comes before the committee, but in this case we think that the government should have responded more favourably to the recommendation of the standing committee on veterans affairs in this respect.

Mr. Jones: I should like to thank both of the hon. members for the contributions they have made to the discussion on this matter. I might say that serious consideration was given to the views that they and other hon. members expressed in the committee and also to the views of the Canadian Legion with regard to this matter of interest rates. The arguments that were advanced then and have been advanced here are, of course, the same arguments that could have been advanced in 1947 or 1952 when this bill was originally introduced and then amended. On those occasions it is always possible, just as it is possible now, to pick out a type of security and say that this security yields a higher rate than does the security on which interest is being paid by the government under this legislation. However, after the most careful consideration of the point raised it was thought that we should

stick to the original principle which was involved in the setting of the rates of this fund so that continuity could be carried on. That is not the only reason, of course. But the rates as set bear a relation to rates on funds held by the government from other sources and on which the government pays interest rates. I think perhaps it might be useful to recall to the members of this committee that this fund came first, and then the uses of this fund came second. It was not the other way around. When this fund was originally set up, a plan for assisting veterans was not envisaged and then money supplied for that purpose. It happened in a contrary way. The fund existed, drawn from the sources that I have already referred to; and because those funds existed, it was then determined that those funds should be used for the purposes developed by the army benevolent fund.

Mr. Forgie: May I ask a question? Who determined how this money should be spent?

Mr. Jones: It was determined by parliament in 1947. It was determined by the parliament of Canada, by this House of Commons.

Mr. Forgie: Not by the veterans?

Mr. Jones: The purposes are quite similar to the purposes of the R.C.A.F. benevolent fund and of the navy fund also. The purposes came second; the fund came first.

Again I thank hon. members for their contributions both in committee and here to the discussion of this matter. However, I wish to assure them that, after very careful consideration, we feel that a fair and equitable rate of interest is one that is based on the policy which has been carried forward from the time of the inception of the army benevolent fund. Accordingly, I hope the increase which is recommended by the bill will receive the support of the members of the House of Commons.

Mr. Batten: I must say that I am particularly disappointed that the government has not seen fit to accede to the recommendation and suggestion made by the Canadian Legion. This money does not belong to the government. It is money that has been provided by the veterans over a period of time and for particular purposes. It has been provided for the aid which this fund can give to veterans. Because the money is not government money and because it is being held by the government, it seems to me that the government should give to this fund an interest rate which would normally be given to money which is borrowed by the government.

I think the suggestion made by the Canadian Legion was a reasonable one. At this particular time when the fund is having just a little bit of trouble in following the actuarial plan which was set up for it, I feel that this is one way of helping the fund to carry on with the good work being done. I feel that this recommendation should have been accepted. I agreed wholeheartedly with the recommendation in committee; and even at this late stage I suggest to the parliamentary secretary that maybe it is not too late to give some active and favourable consideration to this suggestion.

Some hon. Members: Carried.

Mr. Carter: May I call it 10.30, Mr. Chairman?

Progress reported.

BUSINESS OF THE HOUSE

Mr. Chevrier: May I inquire what legislation, if any, will be discussed tomorrow and what the estimates are for the rest of the week?

Mr. Churchill: Tomorrow we will take third reading of Bill No. C-77, dealing with agricultural development and then second reading of the bill dealing with the War Veterans Allowance Act, which bill will be referred to the standing committee on veterans affairs. Then I think perhaps we should finish the matter we were debating tonight, namely Bill No. C-88, to amend the Army Benevolent Fund Act. After those items are completed, we will then take up the estimates of the Secretary of State. For Thursday, Friday and Saturday I have already announced the departments that we shall be considering. On Thursday we start, by arrangement, with the Department of Mines and Technical Surveys. Then, if we have not finished with the estimates of the Secretary of State tomorrow, I would suggest that we take the estimates of the Secretary of State after those of the Department of Mines and Technical Surveys. The third one will be fisheries and then will come public works.

At ten thirty o'clock the house adjourned, without question put, pursuant to special order.

ANSWERS TO QUESTIONS

The following answers, deposited with the Clerk of the house, are printed in the official report of debates pursuant to standing order 39:

MEDICAL AND WELFARE PROFESSIONS—SHORTAGE OF PERSONNEL

Question No. 187—**Mr. Regier:**

What is the estimated shortage in Canada of each of the following: (a) doctors (b) dentists (c) graduate social welfare workers (d) graduate nurses?

Answer by: **Hon. J. W. Monteith (Minister of National Health and Welfare):**

It is not possible with any assurance of accuracy to give an estimate of present shortages in Canada of health and welfare workers in the categories listed. There are many factors which have a bearing on the utilization of such workers in this country, including geographical distribution, trends in methods of providing care, economic conditions, the development of prepayment plans, etc.

(a) With respect to doctors, it has been estimated that, as of September 1, 1960, the ratio of active physicians to population averaged 1 physician per 909 persons. This is one of the most favourable physician-population ratios in the world. The provincial distribution varies from 1 physician per 2,000 to 1 per 784 persons.

(b) The present dentist-population ratio in Canada is approximately 1 to 3,000. On a provincial basis, the distribution varies from 1 to 2,000 in the most favourably situated provinces to 1 to 11,000 in those having the lowest proportion of dentists.

(c) An acute shortage of social workers exists across Canada but its extent has not been measured since 1951 when a survey of welfare positions was conducted by the research and statistics division of the Department of National Health and Welfare. At that time there were some 4,500 welfare positions established in Canada. Approximately 30 per cent of the employed staff had graduate degrees in social work. Welfare agencies were asked in 1951 what percentage of graduate social workers they would employ if they were available. The replies indicated that graduate social workers were wanted in between 60 and 85 per cent of welfare positions. On the basis of projections of the survey of 1951 and other data, it is estimated that there are now some 7,000 welfare positions. It is reported by the Canadian association of social workers that some 2,500 of these are filled by graduate social workers while the remainder are filled by persons with different types of background and training. If the agencies' preferences for graduate social workers were of the same order in 1961 as in 1951 the shortage would range between 1,700 and 3,500 social workers.

(d) The ratio of registered nurses to population in 1958 was estimated at 1 per 275 population, varying between provinces from 1 to 202 to 1 to 562 persons. Although the over-all supply of nurses is relatively high, there are shortages of nursing personnel in rural areas, both in hospitals and in public health services. Shortages also exist in mental hospitals and of highly trained nurses able to serve as supervisors, teachers and administrators, both in hospitals and in public health services.

NEWFOUNDLAND HOTEL, ST. JOHN'S, NFLD.—PROFIT OR LOSS

Question No. 223—**Mr. Tucker:**

1. Did the Newfoundland hotel at St. John's, Newfoundland, make a profit in the year 1960?
2. If so, what was the amount of the profit?
3. If not, what was the loss in the year?

Answer by: **Hon. Leon Balcer (Minister of Transport):**

The management of Canadian National Railways advise as follows:

1. Yes.

2. Net profit after interest and depreciation in 1960—$147,063.

3. Not applicable.

R.C.A.F. "GOLDEN HAWKS" TEAM

Question No. 229—**Mr. Argue:**

1. What is the complete cost per annum of the Royal Canadian Air Force air acrobatic team, the Golden Hawks, including pay, per diem allowances, and training of aircrew; aircraft depreciation, replacement, maintenance and fuel, etc.?

2. What is the relationship between air acrobatics and modern air combat?

Answer by: **Hon. D. S. Harkness (Minister of National Defence):**

1. The annual cost of maintaining the R.C.A.F. aerobatic team, the Golden Hawks, is $727,373. This figure includes pay and allowances, aircraft maintenance, spares, overhaul, fuel and special training costs. Aircraft replacement is not considered as a factor in annual costs.

2. There is no relation since acrobatics are not performed by aircraft. However, all R.C.A.F. pilots undergo training in aerobatics as this is one of the most effective methods of teaching air crew to become proficient in precision flying and teamwork which are essential in present day operational flying.

Questions

PUBLIC SERVICE SALARIES

Question No. 234—**Mr. MacRae:**

How many full-time civil servants, coming under the Civil Service Act in 1960, were paid per annum: (a) less than $4,000 (b) between $4,001 to $6,000 (c) between $6,001 and $8,000 (d) between $8,001 and $10,000 (e) between $10,001 and $12,000 (f) between $12,001 and $14,000 (g) between $14,001 and $16,000 (h) over $16,000?

Answer by: **Hon. Noel Dorion (Secretary of State):**

The answer, as of September 1960, is as follows:

	Number	Per Cent of Total
(a) Less than $4,000	64,322	49.3
(b) Between $ 4,000 and $ 5,999	50,738	38.8
(c) Between $ 6,000 and $ 7,999	11,171	8.6
(d) Between $ 8,000 and $ 9,999	2,445	1.8
(e) Between $10,000 and $11,999	912	0.7
(f) Between $12,000 and $13,999	629	0.5
(g) Between $14,000 and $15,999	255	0.2
(h) Over $16,000	88	0.1
Total	130,560	100.0

Note: Excluded are 641 students engaged on a seasonal basis.

FISHERIES DEPARTMENT SHIPS' CREWS

Question No. 243—**Mr. McCleave:**

1. What are the work hours per week and rates of pay of cooks and stewards serving aboard ships of the Department of Fisheries on the (a) east coast (b) west coast?

2. What are the work hours per week and rates of pay of crew, apart from cooks and stewards, serving aboard ships of the Department of Fisheries on the (a) east coast (b) west coast?

Answer by: **Hon. J. A. MacLean (Minister of Fisheries):**

1. Work hours for cooks and stewards:—
   (*a*) East coast—48 hour basic work week—8 hour day to be spread over 12 hour period.
   (*b*) West coast—5 day—40 hour week for all unlicensed personnel including steward departments.

	Rates of pay per month		
	Nfld.	Maritimes	Pacific
	$	$	$
Rates of pay—			
Cook—vessel special class	221.00	305.00	—
Cook—vessel class "A"	221.00	—	—
Cook-steward—vessel class "A"	—	—	290.00
Cook-deckhand boat class "AA"	—	—	280.00
Cook-deckhand boat class "A"	205.00	244.00	280.00
Cook-deckhand boat class "B"	205.00	244.00	274.00
Cook-deckhand boat class "BB"	—	—	274.00
Cook-deckhand boat class "C"	205.00	—	—
Steward—vessel special class	200.00	311.00	—
Assistant steward—vessel special class	—	244.00	—
Assistant steward—vessel class "A"	—	—	264.00

2. Work hours for crews other than cooks and stewards:—
   (*a*) East coast—40 hour week
   (*b*) West coast—40 hour week

	Rates of pay per month		
	Nfld.	Maritimes	Pacific
	$	$	$
Rates of pay—			
Purser—vessel special class	200.00	—	—
Boatswain—vessel special class	—	269.00	—
—vessel class "A"	212.00	—	—
Electrician—vessel special class	—	276.00	—
Fireman—vessel special class	—	257.00	—
Oiler—vessel special class	—	264.00	—
—vessel class "A"	—	—	292.00
Quartermaster—vessel special class	—	260.00	—
Waiter—vessel special class	—	229.00	—
Messboy—vessel class "A"	—	—	226.00
Seaman—vessel special class	200.00	229.00	—
—vessel class "A"	200.00	—	279.00
—boat class "A"	200.00	229.00	—

HOUSE OF COMMONS

Wednesday, May 31, 1961

The house met at 11 a.m.

RAILWAYS, CANALS AND TELEGRAPH LINES

Seventh report of standing committee on railways, canals and telegraph lines—Mr. Howe.

STARRED QUESTIONS

C.N.R. USE OF MELLON NATIONAL BANK, PITTSBURGH

Question No. 354—**Mr. Fisher:**

1. Has the Canadian National Railways used the services of Mellon National Bank and Trust Co. (Pittsburgh, Pa.) or its agents at any time within the past three years?
2. If so, for what purposes, and at what cost to the C.N.R.?

Hon. Leon Balcer (Minister of Transport): The answer to parts 1 and 2 is that from 1928 until 1959, in which year the local traffic office was closed, a bank account was maintained to handle the normal business transactions in connection with that office.

DOUBLE DEPRECIATION AREAS

Question No. 364—**Mr. Martin (Essex East):**

1. How many communities have applied to the government to be classed as "double depreciation areas"?
2. How many such applications have been accepted?
3. What are the names of the communities which have been accepted in the "double depreciation" category?
4. What communities have applied and not been accepted?

Mr. R. D. Thrasher (Parliamentary Secretary to the Minister of Labour): Mr. Speaker, I assume that by "double depreciation areas" the hon. member means surplus manpower areas or localities under the special capital cost allowances program.

Mr. Martin (Essex East): Correct.

Mr. Thrasher: The answers are as follows:

1. The Department of Labour has received applications from 36 areas or localities for designation as surplus manpower areas or localities under the special capital cost allowances program.

2. As of May 24, 1961, four areas and one locality had been declared eligible under the special capital cost allowances program.

3. The areas served by the following offices of the national employment service have been declared eligible under the special capital cost allowances program: Cornwall, Ontario; Windsor, Ontario; Elliot Lake, Ontario; New Glasgow, Nova Scotia. The locality of Grand Falls-St. Leonard, New Brunswick, has been declared eligible under the special capital cost allowances program.

4. Following a review of employment and unemployment conditions, it has been found that St. Jerome, Quebec; Richmond, Quebec and Jacques Cartier, Quebec, do not qualify under the criteria announced by the Minister of Labour on March 2, 1961.

JASPER PARK LODGE—RACE RESTRICTIONS

Question No. 365—**Mr. Fisher:**

1. Does Jasper Park lodge accept reservations only from people of the "white" race?
2. If not, has it any record of guests during the regular seasons of 1959 and 1960 who were of other than the "white" race?
3. Does Jasper Park lodge accept guests who arrive without reservation?
4. In the seasons 1959 and 1960, was Jasper park lodge always filled to capacity?
5. Have Canadian National Railways agents in Canada or the United States of America any code word or code arrangement for use in messages to the Jasper Park lodge asking for reservations which indicate the colour of the person seeking space?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, the management of the Canadian National Railways advise as follows:

1. No.
2. Yes.
3. Yes.
4. No.
5. No.

PROVINCIAL ASSISTANCE TO WINTER WORKS PROGRAM

Question No. 367—**Mr. Creaghan:**

1. How many provinces assist municipalities by making financial contributions to the federal municipal winter works incentive program?
2. What provinces, and to what extent do they, supplement the federal grant of 50 per cent of the labour costs for approved municipal winter works projects?

Mr. R. D. Thrasher (Parliamentary Secretary to the Minister of Labour): Mr. Speaker, the answers to the two parts of this question are as follows:

1. Seven.

2. British Columbia: 25 per cent of direct payroll costs.

Alberta: 25 per cent of direct payroll costs.

Saskatchewan: 25 per cent of direct payroll costs.

Starred Questions

Manitoba: (a) 25 per cent of direct payroll costs in respect of unemployed persons not entitled to unemployment insurance benefit; (b) 50 per cent of direct payroll costs in respect of unemployed persons who have been in receipt of social allowances from the province for a continuous period of 90 days.

Ontario: 25 per cent of direct payroll costs.

Quebec: 40 per cent of direct payroll costs.

Prince Edward Island: 25 per cent of direct payroll costs.

GREENWOOD, N.S.—TENDERS FOR HOUSING CONSTRUCTION

Question No. 368—**Mr. Tucker:**

1. Have tenders been solicited for the building of 200 housing units at Greenwood, Nova Scotia?
2. If so, what was the amount of each tender, and did a firm located in Nova Scotia receive this contract?
3. Have any provisions been made in the contract to use local labour?

Hon. D. J. Walker (Minister of Public Works): Mr. Speaker, the answers to the three parts of this question are as follows:

1. Public tenders were called for 200 housing units at Greenwood and closed May 16.

2. The amount of each tender was as follows: Dell Construction Co. Ltd., Toronto, $1,978,373.39; Eastern Woodworkers Ltd., New Glasgow, $2,095,154.04; Atlas Construction Co. Ltd., Fredericton, $2,209,729.95; Community Enterprises Ltd., Mount Royal, $2,236,848.33; M. F. Schurman Co. Ltd., Summerside, $2,263,375.67; Barker Construction Co. Ltd., London, $2,271,866.00.

No contract has as yet been awarded.

3. The contract will contain a provision that local labour be given preference.

C.N.R. HIGHWAY OPERATIONS, MONTREAL

Question No. 370—**Mr. Valade:**

1. Will the C.N.R. soon complete the highway operations undertaken in the tunnel connecting the Acadie and Persillier boulevards in Montreal?
2. What are the reasons given for the delay in the completion of such operations which were started during the summer of 1960?
3. On May 19, 1961, did the C.N.R. or its staff have on the work site, on this line, two power shovels No. 78 and 79, and a bulldozer No. CN-584?
4. If so, why was work suspended during May 19, 1961, before regular work quitting time?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, with respect to the four parts of this question the management of Canadian National Railways advise as follows:

1. By June 2 it is anticipated that a sufficient portion of the temporary trestle work will have been removed to permit the city of Montreal to commence paving of the street and sidewalks.

2. Work on this complex project has proceeded in accordance with the railway's construction schedule. Upon completion of a temporary trestle diversion on December 8, 1960, the contractor began construction of the permanent subway. Following the normal one month curing period of the structure, the railway commenced operations thereover on May 12.

3 and 4. On Friday, May 19, certain equipment was moved onto the site for testing and adjustment only. This was preparatory to its utilization by construction forces on Tuesday, May 23. At 7.30 a.m. May 23, demolition of the temporary trestle was commenced.

URBAN REHABILITATION STUDY, MONTREAL—FEDERAL GRANT

Question No. 371—**Mr. Valade:**

What amount has been granted by the federal government for research work with respect to a contemplated study of an urban rehabilitation project in the city of Montreal, and who was appointed to do the economic research in this connection?

Hon. D. J. Walker (Minister of Public Works): Mr. Speaker, the answer to this question is as follows:

In March, 1959 the city of Montreal requested a grant from the federal government to cover approximately one half of the cost of carrying out an urban renewal study in the area bounded by Craig, Bleury and Sherbrooke streets and St. Laurent boulevard. A grant in the amount of $15,000 was subsequently approved by the federal government. The study was conducted under the general direction of the town planning service of the city of Montreal.

In September, 1960 the city requested two further grants from the federal government to cover part of the cost of two further urban renewal studies. The first study was to cover the overall area of the city of Montreal and the second study was to cover an area south of Lafontaine park bounded by St. Laurent boulevard, Sherbrooke street, Delorimier avenue and the St. Lawrence river. Two grants were subsequently approved by the federal government, the first in the amount of $63,750 and the second in the amount of $37,500. The city retained the services of the firm Economic Research Corporation Limited for the comprehensive study and the firm of Quebec Land Research Company Limited for the specific area study.

UNEMPLOYMENT BENEFIT STATISTICS

Question No. 373—**Mr. Lessard:**

1. What was the number of unemployed drawing unemployment benefits for the following months: End of March and April 1960, and end of March and April 1961?
2. What was the number of unemployed applicants registered with the national employment offices for the same periods?

3. From January to the end of April 1961, how many unemployed drawing unemployment benefits had used up their benefits?

Mr. R. D. Thrasher (Parliamentary Secretary to the Minister of Labour): Mr. Speaker, the answers to the first two parts of this question, in tabulated form, are as follows:

	1960	1961
1. No. of active claimants at March 31	823,005	837,961
No. of active claimants at April 30	714,894	713,147
	1960	1961
2. No. of unplaced applicants registered for employment in national employment offices at March 31	834,990	864,016
No. of unplaced applicants registered for employment in national employment offices at April 30	756,432	767,791

The answer to the third part of the question is not available.

MOTOR TRUCK TENDERS, FISHERIES DEPARTMENT, NEW GRAFTON, N.S.

Question No. 377—**Mr. Granger:**

1. Did the Department of Fisheries circulate tenders for a 1961 motor truck for use by the department at Kejimkujik F.C. Station, New Grafton, Nova Scotia?

2. If so, to whom were such tenders circulated, what was the amount of each bid, and what is the name of the successful tenderer?

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, the answer is as follows:

1. Yes.

2. (a) (1) Rossignol Sales Ltd., Liverpool, N.S.; (2) Hebb Motors Ltd., Bridgewater, N.S.; (3) Bridgewater Motors Ltd., Bridgewater, N.S.; (4) Lunenburg Motors, Lunenburg, N.S.; (5) Donal Cornelius, Blandford, R.R. 1, Hubbards, N.S.; (6) Mahone Auto Service, Mahone Bay, N.S.; (7) Bluenose Motors, Lunenburg, N.S.; (8) Saunders Motors, Bridgewater, N.S.; (9) Milford's Garage, Liverpool, N.S.; (10) Silver's Garage, Bridgewater, N.S.; (11) Earl Whynot, Liverpool, N.S.

The information for the last two parts of the second section of the question is not yet available.

SURPLUS MANPOWER AREAS—APPLICATIONS, CORNWALL AND WINDSOR

Question No. 378—**Mr. Pitman:**

1. On what date did the cities of Cornwall and Windsor apply for designation as surplus manpower areas?

2. On what dates were their applications accepted?

3. What is the size of the labour force in these two cities?

4. What was the percentage of months, between May and November between 1953 and 1960, during which these cities had surplus manpower available?

5. (a) Was this the same percentage as can be determined by examining the *Labour Gazette* during these months? (b) if not, what difference in computation in assessing a surplus manpower area has been adopted for the purpose of determining whether a city should be so designated?

6. (a) Have any other centres applied for such designation beyond the 28 centres already given? (b) if so, what are the names of these centres?

Mr. R. D. Thrasher (Parliamentary Secretary to the Minister of Labour): Mr. Speaker, because of the great deal of detailed information required in this answer it should be made an order for return.

Mr. Speaker: Order for return.

QUESTIONS PASSED AS ORDERS FOR RETURNS

SURPLUS MANPOWER AREAS—APPLICATIONS, CORNWALL AND WINDSOR

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6. (a) Have any other centres applied for such designation beyond the 28 centres already given? (b) if so, what are the names of these centres?

R.C.A.F.—FLYING PAY

Question No. 228—**Mr. Argue:**

1. On May 1 of each year from 1950 to 1961 inclusive, how many persons, by ranks, in the Royal Canadian Air Force were drawing flying pay (a) as pilots (b) as non-pilots (c) while on squadron duty (d) while not on squadron duty?

2. How many squadrons of aircraft did the R.C.A.F. have on each date given in question 1?

MOTIONS FOR PAPERS

SERVICE, SCHEDULE AND EQUIPMENT REDUCTIONS, PASSENGER RAILWAY LINES

Motion No. 134—**Mr. Deschatelets:**

For a copy of the complete list of passenger railway lines, where reductions have taken place since July 1, 1957, as to service, schedules, and equipment, by the Canadian National Railway Company and the Canadian Pacific Railway Company.

(Translation):

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, I have discussed this motion with the hon. member and have explained to him that the railway companies are required to notify the board of transport commissioners when actual discontinuance of train service is proposed, but that the railways

are not required to advise the board when only reductions in service or changes in schedules or equipment are proposed. The information called for in the motion not being on record with the board, I believe the hon. member is prepared to drop his motion.

I might add that I shall be tabling today or tomorrow the return to the order of the house which was passed recently on motion of the hon. member having to do with train services that have been discontinued since July 1, 1957.

Mr. J. P. Deschatelets (Maisonneuve-Rosemont): The answer is satisfactory, Mr. Speaker.

(Text):

Mr. Speaker: Dropped.

Order discharged and motion dropped.

URBAN REHABILITATION STUDY, MONTREAL

Motion No. 135—**Mr. Valade:**

For a copy of all correspondence exchanged between the authorities of the city of Montreal and the federal government with respect to a contemplated study of an urban rehabilitation project in the city of Montreal.

Motion agreed to.

BUSINESS OF THE HOUSE

COLUMBIA RIVER—CONSIDERATION OF TREATY BY STANDING COMMITTEE

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister whether the government is giving consideration to referring the Columbia river treaty between Canada and the United States to the standing committee on external affairs for examination, pending the completion of negotiations between the government of British Columbia and the federal government.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the government has given no consideration to this suggestion by the Leader of the Opposition. Indeed, while negotiations are going on I think it would be most improper to have this matter considered by a committee.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, could I ask the Prime Minister a supplementary question. In view of reports to the effect that the Minister of Justice is proceeding to British Columbia, could the Prime Minister tell the house whether the minister intends to have another meeting with the premier of British Coulmbia with respect to this question.

Mr. Diefenbaker: No, Mr. Speaker.

[Mr. Balcer.]

TRADE

WHEAT—INQUIRY RESPECTING INTERNATIONAL AGREEMENT

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Since the international wheat agreement will expire next year and some discussions have been going on among agricultural organizations of many countries, I wonder whether the minister could inform the house whether the Canadian government has as yet taken part in any preliminary discussions on a new international wheat agreement, and whether Canada is supporting such an agreement if it is satisfactory.

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, Canada is a signatory to the international wheat agreement and as such is a member of the international wheat council. Members of the civil service of the government of Canada are on the continuing committees of the international wheat council. Frequent meetings of these committees are being held. It may interest the hon. member to know that the international wheat council itself meets in London at the end of June. Canada certainly has every reason to continue its support of the international wheat agreement.

CHINA—REQUEST FOR REPORT ON CANADIAN MISSION

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce arising out of a report that two Canadian trade commissioners, a Mr. Forsythe Smith and a Mr. Small, have been on a mission and have made quite a tour of China. I wonder whether the minister could tell us whether this was a regular visit, or part of the increased efforts of the minister and his department to increase Canadian trade with various countries.

Hon. George H. Hees (Minister of Trade and Commerce): Mr. Speaker, this involves an increased effort carried out in a regular way.

Mr. Argue: Mr. Speaker, I am aware that it is an increased effort, but could the minister report any concrete results from this mission, or have any been obtained?

Mr. Hees: Mr. Speaker, I have not received that information as yet.

INDUSTRY

AUTOMOBILE—INQUIRY AS TO REPORT OF ROYAL COMMISSION

On the orders of the day:

Hon. Paul Martin (Essex East): Mr. Speaker, I should like to address a question to the Minister of Finance based on today's daily bulletin of the dominion bureau of statistics, which indicates that for the first quarter of the present calendar year the sale of new passenger and commercial vehicles had declined by over 10 per cent.

My question is, in view of this will the minister table at the earliest possible date the Bladen report covering the inquiry into conditions in the automobile industry? At the same time, in view of the possibility of our having a budget before the end of this year, 1961, will the minister give us an assurance that among the things he will recommend will be the elimination—

Mr. Speaker: Order.

Some hon. Members: Order.

Mr. Martin (Essex East): —of the excise tax on automobiles?

Mr. Speaker: Order. I think the latter part of the question relating to fiscal policy is not one that is ordinarily entertained, but the other part might be dealt with.

Hon. Donald M. Fleming (Minister of Finance): Mr. Speaker, in reply to the first part of the observations of the hon. gentleman, which of course is the only part that is proper, as he well knows, I may say the Prime Minister has already made it clear to the house, in reply to repeated questions of the hon. member and others, that the Bladen report will be made available at the earliest appropriate time.

Mr. Martin (Essex East): You have had it a long time now. Is it not about time we had it?

Mr. Fleming (Eglinton): You had a lot of things for 22 years and you did nothing useful. You imposed this tax.

Mr. Pearson: Don't be so touchy.

HOUSING

INQUIRY AS TO REDUCTION IN INTEREST RATES

On the orders of the day:

Mr. J. R. Garland (Nipissing): Mr. Speaker, I should like to direct a question to the Minister of Public Works. Is the government aware that the Kennedy administration has reduced the F.H.A. ceiling to 5¼ per cent—

Mr. Speaker: Order. I wonder whether the hon. member would start again. There was a certain amount of conversation and I regret that I was unable to hear his question.

Mr. Martin (Essex East): It was a monologue by the Minister of Finance.

Mr. Garland: I should like to direct a question to the Minister of Public Works. Is the government aware that the Kennedy administration has reduced the F.H.A. ceiling to 5¼ per cent effective Monday, and will the minister indicate whether any reduction is planned in our N.H.A. ceiling of 6¾ per cent before the end of this session of parliament?

Mr. Speaker: Order. The question has an air of familiarity. Is it not the same question the hon. member asked on a previous occasion?

Mr. Garland: No, Mr. Speaker, it is based on a recent news release.

Mr. Speaker: It is the same interest rate that the hon. member is inquiring about. May I say that it is in order to ask a question which suggests that action be taken by the government, but I suggest to the hon. member that it would not be in order to repeat the same suggestion every day, or even every other day; there should at least be an interval.

Mr. Garland: Mr. Speaker, do you not think one ought to be allowed to pursue this matter until the government does take some action?

Some hon. Members: Order.

Mr. Speaker: Order. There is an opportunity to debate these matters; that is when the house normally presents its views to the government.

As I have said, an occasional reminder is not out of order, but the time of the house at this period should not be used or abused by repetition.

NATIONAL AFFAIRS

HULL, QUE.—MEETING FAVOURING SEPARATION OF PORTION OF CANADA

On the orders of the day:

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I should like to direct a question to the Minister of National Defence. Has the minister received the invitation, which seems to have been widely circulated among members of parliament in the last 24 hours, to hear one of his employees, Dr. Marcel Chaput, address a meeting to be held in Hull tonight in favour of secession or separation for a portion of the Canadian nation?

Hon. D. S. Harkness (Minister of National Defence): Mr. Speaker, I have not received any such invitation.

Mr. Fisher: Does the minister approve of such political activities on the part of a civil servant?

Mr. Speaker: Order. The hon. member is now asking the minister to express an opinion in regard to something which is not within his departmental responsibility.

Mr. Harkness: Mr. Speaker, I think I should perhaps answer that question by saying that I disapprove of political activity on the part of civil servants, period.

CANADIAN NATIONAL RAILWAYS

NORTH BAY—REPORTED LAY-OFFS

On the orders of the day:

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, following a question asked on Thursday last on orders of the day concerning lay-offs by the Canadian National Railways at Moncton, the hon. member for Essex East asked a supplementary question regarding a cut in railway employment at North Bay.

I inquired of the management of the Canadian National Railways in this respect, and they are unable to identify those reports of lay-offs at North Bay as relating to the Canadian National Railways. As the hon. member knows, there is another railway serving North Bay and the reports may have concerned that railway; but as it is a private company, my hon. friend will appreciate that it is not within my jurisdiction.

HISTORIC SITES AND MONUMENTS

STONEY CREEK, ONT.—PRESERVATION OF BATTLEFIELD PARK

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, in view of the particular interest of this group in the preservation of national historic sites which represent our struggle for independence, I should like to ask the Prime Minister a question. In view of the Prime Minister's assurance, given to the house on January 25, 1960 that the preservation of Battlefield park in Stoney Creek as a national historic site would receive immediate attention and consideration, and in view of the imminent despoilation of this site by the erection of a housing development, could the Prime Minister assure the house that immediate action will be taken by the federal government to acquire the land about to fall into the hands of a subdivision contractor, and thus preserve the historic site for posterity?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the Minister for Northern Affairs and National Resources, under whose jurisdiction the subject matter falls, might comment in response to the hon. member's rather lengthy question.

Hon. W. G. Dinsdale (Minister of Northern Affairs and National Resources): Mr. Speaker, I am happy to be able to inform the hon. member for Kootenay West that the government has been very active in this matter. I have been kept closely informed by my colleague the Minister of Citizenship and Immigration, who has a particular interest in this site, as well as by the hon. member for Wentworth. Actually the Stoney Creek battle site is a national historic site. It was declared to be such in 1913, at which time the federal government erected a monument, and has since been maintaining that monument. The Wentworth historical society has also been very active in maintaining the site, and has made a particularly worth-while contribution in the maintenance of Gage House.

In view of the pending encroachment referred to by the hon. member, the chief of the historic sites division, Mr. Herbert, met with a local group last fall and a specific offer to purchase was made. Unfortunately there is an option held by a subdivider to purchase the land concerned. It is not the policy of the historic sites division to compete with subdividers' prices. This problem is recognized by the local people, with the result that a local committee has now been formed under the chairmanship of the mayor of Hamilton, and it hopes to resolve all these local difficulties so as to be in a position to make specific proposals to the historic sites division.

Mr. Herridge: I hope the minister realizes that there are members of other parties who would be willing to subscribe to any fund to retain this site.

FISHERIES

NEWFOUNDLAND—STATEMENT ON REQUEST FOR PROHIBITION ON USE OF TRAWLS

On the orders of the day:

Hon. J. A. MacLean (Minister of Fisheries): Mr. Speaker, on May 29, the hon. member for Trinity-Conception asked if I had received a petition from fishermen of certain parts of Newfoundland, and I should like at this time to inform him that no formal petition has yet been received by the Department of Fisheries in respect of the areas referred to in the question. However, we are fully aware of the situation in the area, as a result of correspondence, and we have been attempting to resolve the problem on an equitable basis.

The fact of the matter is that there are two groups of fishermen involved. One group represents strongly that fishermen should be permitted to fish with cod trawlers and

draggers, or more modern gear, while the other group represents that the area should be reserved exclusively for hand lining. The officials of the department have made several proposals to adjust the situation on the basis of reservation of smaller areas for hand lining. So far these suggestions have not met with the complete approval of all fishermen. Efforts are being conducted to find a satisfactory solution to the problem.

There is no prohibition contained in the fisheries regulations for Newfoundland under the Fisheries Act against fishing in these areas with gear other than that used by large trawlers. Present regulations in this regard were made effective with the full support of many of the fishermen in the areas, in order to permit full exploitation of the fisheries in the locality.

Mr. J. R. Tucker (Trinity-Conception): Mr. Speaker, I should like to ask a supplementary question. Am I correct in assuming that the minister has authority, under the present Fisheries Act, to deal with this problem?

Mr. MacLean (Queens): Yes, Mr. Speaker.

HEALTH AND WELFARE

SALK VACCINE—REPORTED COMPLAINTS ON SHIPMENTS TO AUSTRALIA

On the orders of the day:

Hon. Paul Martin (Essex East): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare arising out of reported criticism in Australia in respect to 200,000 doses of Salk vaccine which were shipped by the Connaught laboratories to that country a month ago. Could the minister say whether or not batches of these 200,000 doses were tested in the laboratory of hygiene here in Ottawa as well as at Connaught laboratories?

Hon. J. W. Monteith (Minister of National Health and Welfare): Mr. Speaker, I might say that I saw mention of this situation in an article appearing in the newspaper. I am having my officials look into the situation to see if every precaution was taken in this case, as is taken in every other case, and I am sure the results will show that every precaution was taken.

FLOODS

NEW BRUNSWICK—REQUEST FOR FINANCIAL ASSISTANCE

On the orders of the day:

Mr. J. C. MacRae (York-Sunbury): Mr. Speaker, I should like to direct a question to the Prime Minister. Has the Prime Minister received a report regarding the serious flood damage in New Brunswick which has occurred in the last three or four days, and which still exists? Will the Prime Minister give serious consideration to the provision of some measure of financial assistance to those individuals who have suffered serious damage and, in many cases, have lost all their worldly goods?

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, the hon. gentleman has supplemented what appears in the press regarding this catastrophe which struck the area in New Brunswick to which he refers. I am sure I speak for all Canadians when I express the deepest sympathy.

With regard to the second portion of his question, there have been certain principles generally followed throughout the years with reference to federal assistance in matters such as this. They are: The damage done must be beyond the competence of the provincial government or the municipal authorities to handle. In other words the financial loss must be of such a magnitude as to be beyond their financial resources. Furthermore, an application must be made by the provincial government for assistance. No such application has been made, and I presume that the loss suffered is regarded as being of such a nature as can be readily met by the provincial government. However, the matter will be looked into and the hon. gentleman may rest assured that where it is established there is federal responsibility, it will naturally be followed by action.

The Minister of National Defence points out that assistance has been asked from that department and that the army is putting up a bridge as a result of the request.

GRAIN

INQUIRY AS TO QUOTA POSITION

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, last Friday the Minister of Agriculture gave the house some statistics on grain quotas in western Canada. Since the crop year has only another two months to go, I wonder whether the minister can inform the house in a general way what the quota objective will be after July 31, and whether in his opinion a general equitable quota can be reached so that all producers may have an opportunity to deliver an equal amount of grain; and I am thinking particularly of Manitoba and Saskatchewan.

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, the question of quotas is constantly in the minds of all farmers in western Canada. A week ago we had a meeting of the wheat board with the advisory

board representing the farm organizations present, at which quotas for this year were discussed. It was agreed unanimously by the advisory board that the first objective was to accelerate the sales of wheat from western Canada. The second objective was to equalize the quotas as far as it was humanly possible to do so. Last year, for the first time in the history of quotas, we were able to equalize all the quotas in western Canada at 7 bushels with the exception of 43 points. With the amount of grain now sold and available for export, I think it can be accepted that this year certainly the figure of 7 bushels would not be impossible to meet.

I should like to warn the hon. member that the difficulties we now face with respect to box cars and shipping are still causing a great deal of trouble. I give this assurance to the hon. member and to all western farmers; that just as we equalized the quotas very successfully last year, every effort will be made this year to see that each shipping point gets a real 7 bushel quota.

AGRICULTURE

PROVISION FOR AGREEMENTS RESPECTING MARGINAL LANDS, RURAL EMPLOYMENT OPPORTUNITIES, ETC.

Hon. Alvin Hamilton (Minister of Agriculture) moved the third reading of Bill No. C-77, to provide for the rehabilitation of agricultural lands and the development of rural areas in Canada.

He said: Mr. Speaker, I know it is not too usual in the history of the Canadian parliament for a minister to speak on his own bill on third reading. There are special reasons why I chose this course today.

I am sure that day must be a happy one for the Prime Minister, because it was he who in the days when he was in opposition enunciated the policy that in Canada there should be a national development program of which agriculture should be the basic cornerstone. This bill, the third reading of which I have just moved, is one of a series of five major steps by the present government over the past four years to put into legislative effect the ideas expressed by the Prime Minister when he was in opposition. Those ideas are not the product of just one person; they are the results of years of representations by farm organizations and farmers themselves; they are the results of years of study and discussion by intellectuals among the farm movement in trying to grapple with what was always pending, namely a very serious difficulty in the industry of agriculture.

I am very pleased that so many members of the house participated in the debate which started with the introduction of the legislation in December and dragged on until now, the last day of May, 1961. I am pleased because it indicates to me as the minister that many members realize just how this bill will beneficially affect not only their ridings but the regions in which they live, and eventually will affect the whole country. As I mentioned on second reading, I am pleased that the reaction across the country has been so good because, as I said in reply to the hon. member for Greenwood, the essence of the success of this legislation will depend on its educational aspects. I am going to quote for the records of the house a report dated May 26. It is taken from the "Ottawa report on agriculture", which is a weekly news analysis, featuring farm policy. This report goes out to all editors and leaders of farm thought in Canada:

In closing the debate this week, on second reading of the A.R.D.A. bill, agriculture minister Hamilton indicated that he is ready to take action under the legislation as soon as it is approved. He reported holding discussions with the farm—

Mr. Speaker: Order. I am sorry to interrupt the minister, but it is not regular to quote from dispatches or reports which reflect on or deal with what has taken place in this house. Even though the report is favourable the same rule applies.

Mr. Argue: Skip the propaganda.

Mr. Martin (Essex East): Hear, hear.

Mr. Hamilton (Qu'Appelle): Thank you very much. I will simply say that the interruption of the hon. member for Assiniboia is really the reason I am making this speech on third reading, together with the type of opposition we have had.

Mr. Argue: There is no opposition to this bill.

Mr. Hamilton (Qu'Appelle): In the debate on this A.R.D.A. bill, Mr. Speaker, I had hoped to be able to rouse a discussion in the House of Commons similar to that which we have had across the country in the farm organizations.

I have said here I am pleased with the evidence that many individual farmers have realized what this can do for their particular regions. What I am not pleased about is that the opposition has failed in its function to criticize this bill constructively as to principle and objectives. When we were at the resolution stage I joined with the two opposition parties in asking the chairman to let us discuss the measure within the framework of the whole agricultural policy, because only by discussing this bill in relation

to the other measures of the government under its national agricultural program can the purpose of this bill be understood.

I do not pose as a person who thinks he knows more about everything than everybody else. I am quite conscious of the fact that at great moments in our history it is sometimes very difficult to lift up legislative bodies in this and other countries to the significance of what is being done. I well remember reading of the historic occasion when the British North America Act was being discussed in the House of Commons in Great Britain. The bill went through in a matter of seven minutes, I believe, but following its passage there was a two-day debate on dog licences. Sometimes this seems to be the type of thing in which opposition members take a real interest.

So far as this very important bill is concerned, I say to the opposition that they have failed to criticize the bill constructively and I am put in the position where I have to stand up and point out what are the real dangers in this legislation and the risks that must be taken by the government of Canada and the provincial governments in meeting these dangers.

Mr. Martin (Essex East): Don't be so modest.

Mr. Hamilton (Qu'Appelle): The opposition have failed to realize that today not only in Canada and the United States but all through the western world and in some parts of the Asiatic world the growth of technology is so rapid and so effective that countries which were once in a deficit position with respect to food production can now look forward, if they have not already reached this point, to being surplus food producing countries.

This was the real heart of the bill, which was part of the four or five point program to get at this fundamental difficulty. We have had discussions with the secretaries in the United States, and they agree with us that our fundamental approach to this bill is sound and right. They are following an intermediate course under a new policy of raising prices on fewer units of production from each farm. In other words, they are trying to bring an end to the intensive cultivation brought about as a result of previous support policies by putting forward different policies that will reward the farmers if they produce fewer units; or in plain terms, instead of paying subsidies on the basis of acreage reduction they are now giving subsidies on the basis of unit reduction of production.

Here is the challenge before us. Can we as a nation in this twentieth century face up to a fact which has been made clear to us over the last 25 or 35 years, that technology has now outpaced the demand for food for domestic consumption and for export to such a degree that the level of income of farmers is being forced downward and downward, no matter how efficient they become both in production and in organizing their distribution to meet this challenge. We are in this race between technology and the finding of proper uses for land. The agricultural rehabilitation and development bill in my opinion hits at the core of this problem better than any other legislation of which I am aware, not only on this continent but in western Europe.

The bill is tied in not only with the government's accelerated marketing program, which has not only brought about greater distribution of our goods within the country but also abroad, and with some success, I might say; it is also tied in with our policy of stabilization of prices, with our policy of encouraging the organization of groups of farmers to enter into crop insurance schemes on a voluntary basis not only for cereal crops but for special crops as well. It is tied in with the main gun in our arsenal, the farm credit corporation program which will provide farmers who are on reasonably good land with the opportunity to get capital in order to make full use of that land in traditional agriculture. It is tied in with the resources for tomorrow program coming forward this fall.

I had hoped that the opposition would take this bill, discuss it in the light of these other things we are doing and ask questions as to how it would fill the gap. At the resolution stage I did my best to point out that according to the 1956 census, 120,000 farmers had incomes of less than $1,200 a year, and that this was a challenge to us to try to do something that would not only help them increase their incomes but at the same time would give an opportunity to the other 70 per cent of the farmers of Canada who are on land that can return a good living.

This is the challenge that I put before the House of Commons. I had hoped that it would inspire not only from members of the opposition but from all members a thorough discussion of what the government was trying to do and whether this was the right way to go about it. So far, Mr. Speaker, no one has mentioned—

Mr. Speaker: Order. I have been following the minister with a good deal of attention, and I am asking myself whether his remarks are appropriate on third reading. The subject matter before the house on third reading is the bill itself as it has come out of the committee, and not the debate which would take place on second reading, when the principles of the bill and other possibilities were under consideration. We have now reached the point

where we have a bill that has been approved in committee, and the terms of the bill itself are the only appropriate subject of discussion.

I do not like to interrupt the minister or circumscribe his speech, but in listening to what he has been saying I thought perhaps he was overlooking that limitation.

Mr. Hamilton (Qu'Appelle): If I have failed to make it clear that I am discussing the bill I accept that failure as due to my own inability. The question that must be in the minds of farmers throughout the country is whether this three-fold program, the alternative land use program described in clause 2, the rural development program described in clause 3 and the soil and water conservation program described in clause 4, meets the over-all problem of making the best use of our land and at the same time fits in with the actual marketing situation as we see it in the world. If the bill does not meet these problems, then it is subject to proper criticism. My main point today is that I had hoped that during the long weeks of discussion members would take the bill and give me their thoroughly considered opinions whether the alternative land use concept related to marketing and I believe this is the first time such a concept has ever appeared in any legislation, certainly in the western hemisphere—

Mr. Martin (Essex East): What about Ontario?

Mr. Argue: What about P.F.R.A.?

Mr. Martin (Essex East): What about P.F.A.A.? Such propaganda.

Mr. Hamilton (Qu'Appelle): The interuptions of the hon. member for Assiniboia and the hon. member for Essex East indicate the depth of their ignorance as to what this bill is doing. The Prairie Farm Rehabilitation Act, that great piece of legislation, was brought in in 1934 and passed in 1935, and has done a great deal to rehabilitate the prairies over the last 25 years. As part of the concept of this bill we are transferring the principles of P.F.R.A. to the whole country under clause 4 of the bill.

Mr. Argue: I wonder whether I might ask the minister a question. When he says they are transferring some of the principles or the principle of P.F.R.A. to this legislation, does it follow that the provisions of P.F.R.A. will not be maintained and that by this means the federal government will try to foist the larger part of the financial responsibility on the provinces?

Mr. Hamilton (Qu'Appelle): The hon. member knows that I have answered this question on two occasions during the previous debate. I repeat that in the concept in clause 4, which relates to agreements for soil and water conservation projects, we seek to establish in all parts of Canada the same type of operation we have had under P.F.R.A. We are endeavouring to establish equality between what may be received by farmers in all parts of Canada and what has been received by those on the prairies in the last 25 years. The principles of financing will certainly follow the precedent of P.F.R.A. Under P.F.R.A. during the last two years we have been moving increasingly in the direction of joint operations between the federal and provincial governments on a 50-50 basis. This is supported by the minister of agriculture of Saskatchewan, who gave evidence before the Senate land use committee.

We have introduced what we consider is an important bill. All that hon. members of the opposition can do is snipe and ask if I have not heard of P.F.R.A. Let me tell hon. gentlemen opposite that I witnessed the birth of P.F.R.A. when it was planned by a committee composed of western members. I saw its commencement and am aware of what it can do. That legislation was endorsed and supported by hon. members who were familiar with the unfortunate circumstance of drought. It is a valuable act. If there is anything that can be said to be to the credit of the previous government in 22 years of administration it is the action taken in broadening the scope of that act. We are simply attempting to apply those broad principles all across Canada; but that is only a small portion of the value of this legislation.

There has been no discussion of the theory of alternative land use as related to markets. I have exchanged ideas on this subject with businessmen and farmers in small towns across the country. I am aware that in small towns throughout Canada groups of businessmen, professional people and farmers have gathered together to plan programs to raise the income level of farmers in those areas.

The big question confronting the government is this. Can we as a government, supported by provincial governments across Canada, move fast enough under alternative land use programs to shift that land into uses that will provide a greater return to the farmer; and, in so doing, can we move quickly enough to stay ahead of the technological process that is taking place in building up production on farms which are not marginal? That is the key issue.

If I could venture a prediction I would say that the speed with which we move will be the $64 question in terms of whether or not the program envisaged by this legislation will be successful. The question is, can governments working in co-operation gather together sufficient information quickly enough and

draft programs of alternative land use that will provide increased returns, and also keep ahead of the rising production of the good land areas and give the farmer on the good land a market for his product at a reasonable price? This has been the fundamental weakness of the price structure in agriculture for the last 20 years. To my knowledge this is the first time an effort of this kind has been made by a government in this part of the world in going out on a limb, as it were, by putting its full weight behind a program of alternative land use related to markets.

Mr. Martin (Essex East): Nonsense. What about the province of Ontario?

Mr. Hamilton (Qu'Appelle): An alternative land use program is altogether different from P.F.R.A., which has as its objective, the drainage and storage of water to increase productivity. Alternative land use involves taking land presently in use but not providing the farmer a good living and discovering an alternative use for it that will provide a better living to the farmer.

I could proceed to discuss this bill at great length. I simply wished to take the opportunity on third reading to say to the men and women all across Canada with whom I have discussed this program during the last few months that I appreciate their support for this bill. I appreciate their understanding of the tremendous effort we are expending under the alternative land use program. I appreciate their promise of support in assisting in rural development projects in communities. I wish to let them know that the understanding we reached did not fall on barren ground.

I had hoped to bring this measure before the house and inspire hon. members to the same intensity, sincerity and depth of discussion that I encountered all across Canada. Naturally I may be impatient that there has been little discussion in this chamber of the broad fundamentals. I know that as an ordinary member of parliament one must be interested in moving stones and stumps on a farm to improve conditions in a local area. I know there has to be an individual approach to this question at the constituency level on the part of hon. members. I had hoped, however, that among the leaders of the opposition parties there would have been an appreciation of what this program is aimed at accomplishing. I do not suppose I had any right to expect hon. gentlemen opposite to view it as part of a broad national agricultural program, as an important foundation stone of our national development policy.

Without the support of foundation stones at the four corners of this agricultural program we are building, the structure would not sit squarely. We believe that in A.R.D.A. we are providing an important foundation stone in Canadian agricultural policy. It is my feeling and hope that this measure will go down in the history of Canadian agricultural legislation as one of the most significant measures passed by this House of Commons.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I do not propose to further delay the passage of this bill which would have passed by now if it had not been for the quite extraordinary performance on the part of the minister to which we have just been subjected. During most of the time the minister spoke the hon. gentleman was out of order, as Your Honour pointed out, and I assume I will be given the same latitude in dealing with some of the matters the hon. gentleman raised.

The minister began by pointing out that it was only in special circumstances that a minister would speak on third reading of a bill, and he said he felt there were special circumstances in this case. So far as I can gather from the minister's remarks the special circumstance in this instance is that the minister thought this was a great opportunity to glorify himself and the Prime Minister. I think it can be said of the minister, without offence, that with him modesty is not a deformity. I would have thought that the minister would have been satisfied with the glorification he has received in the debate on this bill from his colleagues in the Conservative party. We recall, of course, that one use this bill has already served was to fill a blank day in the House of Commons by enabling Conservative members to get up, one after another, and tell the minister how wonderful he was in the introduction of this legislation.

The minister also said that this was a great day for the Prime Minister because it represents the realization of the agricultural objectives the right hon. gentleman held for so many years in opposition. The agricultural objectives of the Prime Minister in opposition and during election campaigns may be summed up in two famous statements made by the hon. gentleman, neither of which is carried out in this bill in any way, shape or form. One statement was "Parity, not charity" and the other was "Elimination of the cost-price squeeze". It would indeed be a great day for the Prime Minister if those two objectives could be realized in legislation introduced by him or by the Minister of Agriculture. But of course this particular bill, useful as it is—and we have testified to its value—has no relationship whatever to these two agricultural objectives so often put forward in this

house by the Prime Minister when in opposition and during election campaigns, but about which very little has been done to carry them out.

In the passion for propaganda of the Minister of Agriculture which extends even to the provision of gold plated syringes, the minister has made some exaggerated, misleading and, as Your Honour pointed out, quite inappropriate statements about this bill. I made a note of some of the hon. gentleman's words. He went so far as to say that the alternative land use concept is now, for the first time in the western hemisphere, being embodied in legislation. Quite apart from P.F.R.A. and what has been done in this country, the minister must know very little about agricultural policy in the United States in the last 15 or 20 years to make the extraordinary statement, which will be received with some interest in Washington, that for the first time in the western hemisphere—it is really a wonder he did not say "in the world" because the minister has a world embracing concept in his speeches—the alternative land use concept is being embodied in legislation.

The minister also said that we in the opposition were so remiss in our duty in our consideration of this bill that it was necessary for him to rise in his place and not only glorify the bill but point out these things because the opposition took no action in that regard. All the minister needs to do is read *Hansard*, even that of yesterday. If he did so he would soon find out that many questions were addressed to the minister pointing out some of the deficiencies in this bill which we approved in principle. Indeed, that is something that was done prior to yesterday. The opposition has discharged its duty in connection with this bill in supporting the principle of it and in trying to make it a better bill.

We understand the implications of this bill, and we understand the principles involved. We should do so, Mr. Speaker, because the initiation of this bill goes back to a time prior to the coming into office of this government, and the principles involved have been studied in the Senate committee over the years. We know all about the bill, and we know all about its origin.

One of the questions asked of the minister about this bill was what its immediate effect would be on the farm situation today. The minister has admitted that this is a long term proposition. Of course it is a long term proposition. It may have very considerable long range value in this country, and we hope it will. But the minister also has admitted that for the first year or two there will be no concrete and practical effect. Indeed, in one of his more exuberant statements, perhaps in order to cover up the lack of immediate effect and perhaps also to obscure the failure of the government to carry out its promised agricultural objectives, the minister said he expected that ultimately $600 million would be spent under this bill over the years, perhaps during the rest of this century. All this kind of loose, windy and exuberant talk does not mean anything.

This is an important bill. It has been supported in principle by the opposition. The opposition has tried to make it a better bill. We think the best thing we can do now is to get the bill passed, get it into action and see how it will work out. That would have been done days ago if it had not been for the policy of the government in putting up members one after another to speak in support of this bill, on one occasion indeed, merely to conceal the fact that there was no other business on the order paper.

Mr. Hazen Argue (Assiniboia): The performance by the Minister of Agriculture this morning, Mr. Speaker, is extraordinary in many ways. It is an almost unheard of thing for a minister of the crown to initiate a debate on third reading of a bill that has had the unanimous approval of this house at every single stage. I suggest that this is an irresponsible attitude on the part of a government that says it is trying to facilitate the discussion of the business before the house this session.

The government says it wants to get out of here by the end of June. The Prime Minister has wielded the club and said "If you have not passed the legislation before the end of June, we will adjourn the house". Yet lo and behold, the Minister of Agriculture comes along and, on a third reading motion, initiates another discussion. It would seem that the government members were not content with a filibuster which they themselves conducted on second reading of the bill, but that they apparently want to start another filibuster today.

I have not a clue as to why the Minister of Agriculture would come in with this speech of his. There was nothing in it. It was just more hot air. He criticized the opposition. He said we had not discussed the bill and that we had not asked the right questions. Perhaps he should send us some questions, if he does not like ours, and we will ask them. But we cannot get any answers. There is nothing wrong with the questions.

Mr. Hamilton (Qu'Appelle): Mr. Speaker, may I ask a question?

Mr. Argue: The minister has made his speech. How many projects will be in operation next year?

Mr. Hamilton (Qu'Appelle): I gave the hon. member a chance to let me ask a question.

Mr. Argue: How many projects will be in operation next year?

Mr. Hamilton (Qu'Appelle): Will the hon. member permit a question?

Mr. Argue: Yes.

Mr. Hamilton (Qu'Appelle): Will the hon. member tell me of one question, outside of that of the hon. member for Peterborough, which was asked by the C.C.F. party and which dealt with the essential principles of this bill?

Mr. Argue: I have been asking how many projects will be in operation under the bill. I have been asking the government what proportion of the financial cost it will pay, section by section. Until the minister gave this kind of general hint this morning that the provinces will have to pay 50 per cent, I have not known. I do not know what the government has in mind. However, I know that under the Prairie Farm Rehabilitation Act the federal government pays the total cost of stock watering dugouts and so on and the farmer pays any balance, if there is a balance. Sometimes there is not a balance. However, the minister said this morning that these projects will be on a 50-50 basis with the provinces. I say that is going backwards, and that the federal government should be paying much more than 50 per cent of the cost.

This is the kind of bill that we have had before us on so many occasions in recent years. It is couched in general terms and fine-sounding phrases, and has resulted in windy speeches. The minister said he did not know why we did not discuss the other aspects of the government's farm program so that we would have an understanding of this tremendous program in all its particulars. The trouble is that we know the rest of the program. Under Bill No. 237 most of the so-called protection by way of support prices has been a hoax. There has been no solid floor. It has been just more window dressing and more guesswork.

Mr. Speaker: Order. I appreciate the fact that there is some latitude beyond what might be normal by reason of the introductory speech, but it seems to me that the hon. member is going quite out of order in discussing another piece of legislation and its results.

Mr. Argue: I agree with you, Mr. Speaker, and I do so particularly because you called the minister to order when he was doing the same thing. But since the minister had been out of order for a time I thought that I might get out of order for a sufficient length of time to reply to this sweeping generality of his that we were not prepared to discuss the rest of the mess in the Department of Agriculture and that we wanted to confine our remarks only to this bill.

Some good things can come from this bill if there is a good administration. The minister can pay 99 per cent of the cost under this co-operative scheme with the provinces, if the government wishes to do so. But there is no certainty. What the minister is asking parliament to do is to give him a blank cheque or a green light without any definition as to what kind of projects will be undertaken, and without any idea of how costs will be apportioned, as to the timetable or as to any definition of the kind of projects that are going to add to farm income.

It is easy for the Minister of Agriculture to rise in his place and say he is most anxious that the program be brought in at a sufficiently rapid rate to enable land to be taken out of uses that are now being made of it and put into more productive uses. I have heard this kind of advice given to agricultural producers for a long time. May I say that I have a great deal of faith in the ordinary individual farmer. When he goes out to seed his crops I believe it is a fair bet that he is going to seed the kinds of crops that are likely to bring him the greatest income. I suggest he does not very often need all these windy insults that he does not know what he is doing with his land; that he has it in the wrong use; that if somebody could just come along and give him some free advice and a little direction he would stop all these terrible errors he is making and get his land into the right kind of use.

The good wheat land in western Canada is producing wheat and by and large very poor land for wheat production is producing grass. The farmers have shown themselves adaptable to growing such new products as mustard seed and rapeseed. It has been said to us in the House of Commons that the vast majority of farmers on the prairies do not know enough to produce livestock; they produce grain; they are all off to California or Florida for the winter.

An hon. Member: Or Ottawa.

Mr. Argue: The fact of the matter is that the vast majority of farmers who are today in the grain business are in the beef business, and they were in the beef business before this government came into power. They are producing beef because they find it gives

them a moderate income which is comparable with the income they would expect from other products.

We have had a lot of advice from the minister. He says there are people on farms moving stumps and stones. If the minister were on a farm I doubt that he would be engaged in moving stumps and stones; I think I can understand the work the minister would be doing. He would be spreading; in some places thick, in some places thin. He was in good liquid form this morning; he was really spreading it. He did not mind getting some of it on himself, either, because he is the most enthusiastic supporter that the Minister of Agriculture has anywhere in Canada. He is really convinced that the legislation he has brought in, because it is worded a little differently, perhaps, than acts in some other countries, makes this the greatest government in the world with the greatest program in the world.

Some hon. Members: Hear, hear.

Mr. Hees: Hear, hear; it is the greatest.

Mr. Argue: It makes the Minister of Agriculture a flop as far as dealing with the main problems of agriculture is concerned. These are not the inability of the farmer to decide the crop or the use of his soil. The minister may want to give him all the advice in the world. He can make loose, insulting statements that the farmers have to have this kind of guidance, but I suggest to him that the greatest problem is in the field of prices for farm products, and this the government has yet to touch.

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I just had to respond to the challenge of the Minister of Agriculture. One should never be ashamed, I suppose, or modest when within the aura or atmosphere that he casts, and I should like to tell the minister that I think he is full of nonsense when he says this is the first time the alternative land use concept has been put into legislation. I wonder whether the minister has ever heard of that great and good Progressive Conservative in the province of Ontario, (Hon.) Leslie Frost. I wonder whether he knows that Mr. Frost's government, I believe supported by the other parties in the legislature, has introduced a number of bills to which the alternative land use concept is central. I should like to send the minister some time some of the conservation authority reports. We have had one for the Neebing river valley, for instance, that affects the lakehead area. This sets out an analysis by agronomists, foresters and other land use experts, and deals with just what use should be made of the valley; its soils, drainage, ecology, as problems and prospects.

[Mr. Argue.]

The minister may not know it, but the legislation brings the municipal authorities into co-operative work. There has been developed an authority for us embracing several government agencies and voluntary groups. There have been arrangements for giving advice to farmers for terracing and reforestation in the area. There is even an authority forest. There are even provisions in township budgets for certain funds to do this. Right here within the little microcosm that I know, the minister is just wrong.

I wonder whether the minister ever reads the aspects of this matter which have been dramatized most, perhaps, by books such as "The Grapes of Wrath", the old story of the "Okies", and the things that were developed by the United States new deal. I wonder whether I could refer the minister to some of the books that cover the new deal in the agricultural recovery program and what it did in states like Iowa, Arkansas and others like them where the drought, overcultivation and grasshoppers had wrought destruction. I wonder whether the minister has driven through some of these areas recently and seen the developments. I should like to ask him whether he does not agree that the United States forestry development in Minnesota, for example, and the other lake states, where they had volunteers out in tents, was an excellent thing. This was all set up, I suggest, by legislation, and it involves alternative land use concepts. The lake states have reconverted thousands of acres from farm to forest land.

Mr. Martin (Essex East): Does not my hon. friend realize that the minister antedates F.D.R.?

Mr. Fisher: My hon. friend says the minister antedates F.D.R. He is certainly throwing a very wide loop, and I cannot follow the claims he has made at all. As a reader, Mr. Speaker, at times I have read over the reports of the Senate committee on land use. I was going to mention this in one of the earlier debates. I have never really felt that committee came to grips with the problem of land use in Canada at all.

I think most of the evidence given by experts was good. I have been interested in evidence given by people such as the greatest soils expert in Canada, Angus Hills, and some of the great forestry authorities. Some of these people put forward what I think is the crucial problem that I hope this bill affects, and that is what agricultural men call rivalry for land in the conturbations of growth such as we have all the way from Welland around to Oshawa. To me this is the greatest agricultural redevelopment problem we have. It is a matter of stopping the growth of the

kind of suburbs that we have and the intermixture we are getting which is taking some of the best land out of agriculture and has destroyed the whole aesthetic sense of a region and much of its aesthetic possibility.

I did not think it proper to raise these things on a piece of legislation which largely depends upon the whims, energies and tax resources of at least ten other authorities in addition to the Department of Agriculture. I did not want to mention my own experience in trying to get the officials of the Department of Agriculture interested in the rather minor agricultural problems that we have in our area. They are not minor to the men who are involved, but we have very few farmers. My experience is that there is about as much enthusiasm amongst the Department of Agriculture officials for any kind of survey work or analysis of the problems of a region as there is with hon. members in a party caucus, where people can put forward ideas in a fleeting way but usually without the time or the response to do something about them or carry them out.

I did not want to raise these doubts because the minister and the Conservative supporters were so enthusiastic. I have almost begun to think this is a bill that has a brilliant future behind it because of the exaggeration of the minister about what it can do, but when it is set against the practical difficulties that we are all aware of in legislation that is not unlike it, the comparison is very sobering. I should like to ask the minister, does he not agree that the legislation in the Canada Forestry Act, for example, which has been on the statute books for some time and was put in by a previous administration, contains remarkable parallels in its purposes, objects and structure to this A.R.D.A. bill?

Mr. Hamilton (Qu'Appelle): Do you want me to answer that question?

Mr. Fisher: I hope the minister will answer it. I think the similarities are marked. No one who is interested in forestry in Canada will really claim that this bill has worked well, that it has worked evenly or that it has done a great deal for the standards of forestry in this country. It has made its main impact at the fire prevention level and not in the field of silviculture. I think if the minister is honest he will acknowledge that.

It seems to me the reason this does so poorly in the field of silviculture is that there is a great deal of controversy over the handling of silvicultural programs. Silviculture is an approach to or search for an ideal. Anyone can think pragmatically in terms of putting out a forest fire, but when the problem concerns the envisaging of the situation existing 50, 75 or 100 years ahead it involves another kind of land use concept, another type of thought. When there are ten provincial authorities and a federal authority attempting to give leadership, using varying kinds of carrots, which are not too definite, the results are not exciting.

I have not changed my opinion in regard to this bill, and probably should have retained my seat, as I intended to from the start, to allow the hon. members of this house who are interested in the farming industry to deal with it. In my opinion this is an imaginative bill, but it is an abstraction rather than a concrete measure. When hon. members begin to holler in excitement about an abstraction such as this before it has even begun to jell or fill in, as being a new basis for our agricultural industry and economy, that seems to me to be nothing more than a political exaggeration.

Mr. J. H. Horner (Acadia): Mr. Speaker, I have listened with interest to what has been said this morning regarding this bill, because there is a great deal of concern in my constituency regarding the construction of projects which might well be carried out under this proposed legislation.

I am particularly interested in the cost sharing arrangements for projects of this type. I realize that the minister has previously stated that the cost sharing arrangements under this legislation will be similar to the cost sharing arrangements under the Prairie Farm Rehabilitation Act. I believe I am safe in saying that the federal government has on most occasions in the past paid for the construction of dams, and that the provinces have taken over the provision and distribution of power and the distribution of water for irrigation or stock watering. I believe that has been the situation in regard to dams built in western Canada, such as the St. Mary's river dam in southern Alberta, and the South Saskatchewan dam.

I realize there is a great deal of difficulty in arriving at a formula in respect of cost sharing arrangements, because of the many types of cost sharing arrangements that have been entered into in respect of forestry, community pastures, dams and the distribution of water, but could the minister indicate whether irrigation and stock watering projects, such as those which have been carried out under the P.F.R.A., will involve cost sharing arrangements under the scheme similar to those arrangements made under the P.F.R.A.

Mr. Walter Pitman (Peterborough): Mr. Speaker, I should like to say a word or two in respect of this proposed legislation.

Mr. Hellyer: Another farmer.

Mr. Pitman: We have seen today the strong pressure which has been brought to bear in this house in respect of this measure. I am sure this day will go down in history as being the day a minister initiated debate on third reading having already provided his own opposition. I think that represents the final step in this peculiar procedure which has taken place in respect of this bill.

I must say that we have already received as an act pamphlets advertising the minister's proposal, and in view of that fact, what has gone on here has been rather surprising to me. As a student of government I was under the impression that the wealth of the country was controlled by responsible government. In spite of the fact that this proposed bill is in the legislative process in this house, and has been introduced by the minister today for third reading, the minister has gone around the country to find opposition to it. If the minister finds no opposition in the country he can, of course, come back to this house with 200 members on the government side, and with the executives of practically all the farm organizations in existence arrayed behind him, and say there is virtually no critcism to the proposal except that expressed by members on this side of the house, which the minister can refute by saying that all farm organizations are in favour of it. I wonder, as a student of government, whether that is a legitimate form of pressure to be placed on those of us who are on the opposition side.

The minister also reminded us that we did not bring in this business regarding alternative land uses, but I think he must remember that he has given a great deal more information to the individuals with whom he spoke across the country, so far as this bill is concerned, than he has given us. He has not given us much information, or anything specific about its purposes whatsoever. I must agree with the Leader of the Opposition that we should be informed as to what is happening. Let us find out what will take place when the provinces do come into this scheme; how much money will be paid out by the federal government and how much money the provinces will have to contribute to this proposal, which is supposed to solve all of the problems of the farmers. I asked a couple of questions yesterday in respect of the farmers' union regarding this proposed bill, but as yet have not received any answers. I shall have to place questions on the order paper, hoping that in that way I will obtain some information.

The minister must have been reading different books and articles than I have read in regard to the problems of world technological food production, because he gave a picture which indicated that the world is virtually being drowned and buried in its own food as the result of modern technology. Surely that is not a truthful position at all. I am under the impression that there are a tremendous number of people in this world who go to bed hungry every night. When I listened to the minister I began to get the impression that there is no problem, although it has been my understanding that this world food problem has not been solved at all because of a lack of imagination on the part of countries of the west, including Canada.

The area of this problem, which has not been solved, involves the devising of a means to put the food presently being produced into the mouths of the hungry peoples of the world. The problem does not involve the existence of statistical tables which show that there is an overproduction of food, but has regard to the ever increasing number of starving people in different countries of the world. There are more hungry people in this world today than there were ten years ago, and that number is increasing every year. The problem involving the destruction of world food markets by modern technological methods is a small one in terms of the world situation.

The minister suggests that great efforts must be made to increase the incomes of the many individuals on the farms who are now receiving in the neighbourhood of $1,200 per year. I admit there is a challenge in regard to raising the standard of living of those individuals, but I see no answer to that challenge in this proposed legislation. I suggest the minister should realize that those individuals are now paying, in effect, retail prices for all their needs when they should actually be paying wholesale prices. Farming is an industry, and should be entitled to wholesale prices. Perhaps the difficulty arises in many cases because the farmers are not sufficiently organized in a co-operative way to demand the privilege of purchasing at wholesale prices, but I do not find anything in this legislation in that regard.

I am sure all hon. members realize that many farms in eastern Ontario contain a great number of trees, but how can we be assured that under this legislation farmers will be able to market these trees at a better price than they are receiving today?

I fail to understand the minister's answer to the criticisms expressed by members of the opposition in respect of this legislation.

The house divided on the motion (Mr. Hamilton, Qu'Appelle), which was agreed to on the following division:

YEAS

Messrs:

Aiken
Aitken, Miss
Allmark
Anderson
Argue
Asselin
Badanai
Balcer
Baldwin
Barrington
Batten
Bell (Carleton)
Bell (Saint John-Albert)
Benidickson
Best
Bourbonnais
Bourdages
Bourque
Brassard (Chicoutimi)
Browne (St. John's West)
Browne (Vancouver-Kingsway)
Cadieu
Campbell (Lambton-Kent)
Campbell (Stormont)
Campeau
Cardiff
Cardin
Carter
Casselman, Mrs.
Cathers
Chambers
Charlton
Chown
Churchill
Clancy
Clermont
Comtois
Cooper
Crouse
Diefenbaker
Dinsdale
Dorion
Doucett
Drouin
Drysdale
Dubois
English
Eudes
Fairclough, Mrs.
Fairfield
Fane
Fisher
Fleming (Eglinton)
Fleming (Okanagan-Revelstoke)
Flemming (Royal)
Forbes
Forgie
Fortin
Frechette
Garland
Godin
Grafftey
Granger
Green
Grills
Gundlock
Habel
Hales
Hamilton (Notre Dame de Grace)
Hamilton (Qu'Appelle)
Hamilton (York West)
Hanbidge
Harkness
Hees
Hellyer
Henderson
Herridge
Hicks
Hodgson
Horner (Acadia)
Horner (The Battlefords)
Howe
Johnson
Jones
Jorgenson
Jung
Kennedy
Kindt
Korchinski
Kucherepa
Lafreniere
Latour
Leduc
Lennard
Letourneau
Loiselle
Macdonnell
MacEwan
MacInnis
MacLean (Queens)
MacLean (Winnipeg North Centre)
Macnaughton
Macquarrie
MacRae
McBain
McCleave
McDonald (Hamilton South)
McFarlane
McGee
McIlraith
McIntosh
McLennan
McMillan
McQuillan
McWilliam
Maloney
Mandziuk
Martel
Martin (Essex East)
Martineau
Martini
Matthews
Meunier
Monteith (Perth)
Monteith (Verdun)
Montgomery
More
Morris
Morton
Muir (Cape Breton North and Victoria)
Muir (Lisgar)
Murphy
Nasserden
Nesbitt
Noble
Nugent
O'Hurley
O'Leary
Ormiston
Pallett
Payne
Pearson
Peters
Phillips
Pigeon
Pitman
Racine
Rapp
Ratelle
Regnier
Richard (Kamouraska)
Richard (St. Maurice-Lafleche)
Roberge
Robinson
Rogers
Rompre
Rynard
Sevigny
Simpson
Skoreyko
Slogan
Small
Smallwood
Smith (Lincoln)
Smith (Simcoe North)
Southam
Stearns
Stefanson
Tardif
Tassé
Thomas
Thompson
Thrasher
Tremblay
Tucker
Valade
Villeneuve
Webb
Webster
Winkler
Woolliams
Wratten—182.

NAYS—Nil

Bill read the third time and passed.

At one o'clock the house took recess.

AFTER RECESS

The house resumed at 2.30 p.m.

WAR VETERANS ALLOWANCE ACT

AMENDMENTS TO INCREASE RATES OF ALLOWANCES AND INCOME CEILINGS, ETC.

Hon. Gordon Churchill (Minister of Veterans Affairs) moved the second reading of Bill No. C-101, to amend the War Veterans Allowance Act, 1952.

He said: Mr. Speaker, I do not know of anybody in the house who would prefer to second this bill more than the Right Hon. Prime Minister (Mr. Diefenbaker) who has been interested in veterans affairs throughout his life, particularly during all the years he has been in this House of Commons. He has consistently, year in and year out, whether in opposition or as leader of the government, pressed for attention to the veterans, and scarcely a week goes by that he does not draw to my attention some individual among our veterans population who requires special care and attention. The government generally takes the same attitude as the Prime Minister does in these matters.

I now have pleasure in bringing before the house the bill about which we talked on May 16 when we discussed at some length the resolution introducing this bill. I do not intend to repeat what I said on that occasion. I took some time then to outline the background of the war veterans allowance legislation, and to indicate the extent to which it affects veterans across this country as well as the benefits it is bringing to people who so richly deserve the thanks of their countrymen.

It is rather difficult to discuss the general principle of the bill because it contains a number of wide ranging amendments dealing with certain matters of administration and other factors. The most important aspect of the bill is, of course, the increases that are suggested in the rates and ceilings to compensate for the recognized changes that have taken place in the cost of living, and to provide for the continuation of the general relationship which has existed between the rates and ceilings under this act and pensions payable under the Pension Act.

When I was speaking on the resolution on May 16, I referred to the fact that pensions had been increased across the board by 20 per cent this year, except for the somewhat greater increase of 33⅓ per cent for orphaned children who had not been included in previous increases which had been made to the pensions. In giving consideration to the amount by which the rates and ceilings under the War Veterans Allowance Act should be increased, the government has concluded that the same percentage should be applied across the board as was recently granted pensioners, namely 20 per cent and that orphan children likewise should be granted an increase commensurate with those given to pension orphans. Accordingly, this bill sets forth revised schedules A and B which provide for a 20 per cent increase both in the maximum monthly rates of allowance and in the maximum total annual incomes applicable to the various classes of recipients.

I might draw your attention, Mr. Speaker, particularly to the allowances and the ceilings applicable to orphans as proposed in the schedules. The allowances are now the same as the pensions payable to one, two or three orphans respectively. The other improvement that would be proposed in the schedules is that where a recipient or his spouse is blind the income ceiling which applies is in each instance $120 a year greater than the ceiling which applies where blindness is not present. The schedules under the present act recognize the difficulty experienced by the blind to the extent of allowing a comparable increase in the income ceiling where the recipient's spouse is blind. We have thought it desirable to extend this advantage where a single recipient or a married recipient or his spouse has been thus afflicted.

The rather substantial increase in the rates and income ceilings is expected at the present time to cost about $17 million on an annual basis. This is a considerably greater increase than that which has been provided in some other years when the war veterans allowance rates were raised. In the year 1948 an increase was provided of about $3,500,000, in round numbers. In 1952, the increase was $7 million. In 1955, the increase provided was slightly over $8 million and in 1957 it was slightly over $4 million. On this occasion we are proposing to provide an increase of $17 million. That will raise the annual liability or at least it will make the annual liability quite a bit larger than it has been in the past. Just by way of comparison I might point out that the annual liability or the annual expenditure by the dominion government on war veterans allowances in the fiscal year 1956-57—and again these figures are in round numbers—was $41 million. In 1957-58, it was just under $48 million. In the fiscal year 1958-59, it was over $54 million. In 1959-60, it rose to slightly over $57 million. In the fiscal year 1960-61 it rose to slightly over $58 million, although there was a rather substantial decrease in the number of pensioners from the earlier wars. The present proposed increase—and of course, it is an estimate—of $17 million will provide for the 20 per cent increase across the board that I have mentioned.

I shall touch on just two or three of the highlights in the bill rather than deal with it clause by clause because the intention, of course, is to do with this bill as was done with other bills dealing with veterans matters, namely to refer the bill for intensive study to the standing committee on veterans affairs. That committee will go through the bill clause by clause. Officials will be present to provide any additional information that is required by the members. Then when the bill comes back to the house, in committee of the whole house we shall again have the opportunity of discussing it clause by clause. So all that I shall do now is to touch briefly on some of the highlights in the bill beyond the ones that I have already mentioned.

Last year, as you may recall, Mr. Speaker, when the War Veterans Allowance Act was amended provision was made for the payment of an allowance outside of Canada to a qualified veteran who had resided here for at least 12 months and had left Canada as a recipient subsequent to the amendment. That has been found to be a desirable change in the act. We now propose that similar provision be made for a recipient's widow. As the act stands at the present moment, in order to qualify she would have to return to Canada if she were living abroad, and this might be a considerable hardship on a number of widows for whom return to Canada would be impractical or impossible for various reasons. We are therefore proposing that the requirement of return to Canada be withdrawn under certain conditions and therefore a widow who left Canada at about the same time as did her husband recipient in order

to live with him elsewhere, if she is otherwise eligible and if she applies within one year after his death, may become a recipient. Similar action is proposed with regard to the orphan children of the recipient so that they too will not be obliged to return to Canada in order to establish qualification.

Another highlight which affects a small but very important group of our citizens is one which has reference to South African veterans. Under this act the allowance may be given to Canadian veterans of the South African war if they require assistance. However, the deadline for service in South Africa in the present act is May 31, 1902, as that was the date on which the South African war was declared to be officially at an end. We have knowledge that late in that month there were a number of Canadian soldiers who were on board ship but who had not landed in South Africa prior to the end of the conflict. We propose granting eligibility on the service basis to soldiers who had embarked for service in South Africa prior to the deadline. There are very few survivors in this group and they are all in the 80-year or 90-year age group, so I am sure that no one would object to that type of benefit being provided.

With regard to first world war veterans, an amendment was brought before the house—I am not sure whether it was last year or the year previous—permitting them to get allowances under this act if they had been in the United Kingdom during the first world war for a period of 365 days. Similarly there were veterans of that war who were on board ship and who consequently did not get in the full quota of 365 days in the United Kingdom prior to the terminal date which was set at November 12, 1918. So we are proposing to recognize the fact that these members of the forces, in proceeding to and from the United Kingdom prior to that date, underwent hazards at sea and therefore that the time they spent on the high seas could reasonably be included in the calculation of the length of their service in the United Kingdom. If the house approves, that amendment is in the bill for consideration and I hope it will be passed.

There are other items in the bill which as far as individuals are concerned are of equal importance to the ones I have mentioned, but it is not appropriate on second reading to go into too great detail with regard to the various clauses.

The members of the war veterans allowance board, other officials of the department, my parliamentary secretary and myself and, interested hon. members in the house have put a great deal of time and attention into considering problems concerning amending the War Veterans Allowance Act. We have drawn heavily upon the useful suggestions that have been put before us by the Canadian Legion and other veterans organizations.

We have accepted most of the suggestions that have come from these organized bodies. I think the amendments we are now proposing will give recognition to changing conditions which affect veterans and their dependents and I hope the amendments we are proposing will be agreeably accepted by the great body of Canada's veterans and their dependents as well as by the people generally in our country.

The War Veterans Allowance Act, as I mentioned at the resolution stage, is designed to assist bona fide veterans who volunteered for service, in many instances endured a great deal of hardship overseas, who were lucky enough not to be wounded during the course of that service and some of whom, unfortunately, after their return to Canada, for a dozen different reasons found it rather difficult to become firmly established in civilian life and to make provision for all the hazards to which everyone is subject during the course of life.

Some of them have, through economic distress, illness within the family or for other reasons, found the going a bit difficult. To these veterans, as to the disability pensioners, there is a debt owed by the people of Canada. Once again, as with the disability pensioners, we are proposing to pay in part that debt to these men who were quite prepared, when you think about it seriously, to make the supreme sacrifice during wartime.

We hope the house will receive this bill and consider it very carefully. In committee I am prepared to give careful consideration to any suggestions which might improve the drafting which we have done here. This again, as with the Pension Act, is a subject matter to which the house can give serious attention without some of the disturbances to which we subject ourselves from time to time. My experience in the House of Commons is that when the cause of the veteran is before it, the house is quite prepared to deal with it at its best. The House of Commons, in the study of veterans legislation during the time I have been here, has always shown itself to be at its best. It is in that spirit and that mood that I present to the house this bill suggesting amendments to the War Veterans Allowance Act.

Hon. J. M. Macdonnell (Greenwood): Mr. Speaker, this bill has already been discussed at considerable length in the resolution stage and I have no intention of detaining the house for more than a very few minutes at the present time.

As the minister has already indicated, this has never been a partisan matter in the

house. We have all desired to do the right thing by the veterans ever since I have sat in this house. The veterans are fortunate, of course, at the present time in their minister. There are not many among my friends who managed to get into the front line in both wars. I do not know how the minister did it. I suppose he played up his age in the first war and played down his age in the second war. At any rate he managed to get into both, and if the veterans ever had a sympathetic friend, it is he.

I have no intention of dealing with the details of this bill. I am sure they will receive the sympathetic consideration that the minister mentioned. But I thought I should like, for just a moment or two, to carry the mind back and picture these men, many of them now old, who are receiving these benefits and whose minds will no doubt be carried back to the days when they made the efforts and sacrifices by which we are now seeking to deal justly.

I should like just for a moment to refer to the South African war, of which there are a few survivors left, and to recall that they were the pioneers. This was the first time we had ever sent troops overseas, and I should like to recognize their service and the example they have been ever since to others.

Then I should like to go on to the first great war. There are somewhere between 35,000 and 40,000 veterans of that war who will receive the benefits of this bill. I should like to recall the summer of 1914 and read quite briefly from the speeches of Sir Robert Borden and Sir Wilfrid Laurier in the special session of 1914 after war had been declared.

I will do this very briefly, but I have been moved by what I read here as showing the spirit of co-operation which I am sure will be most pleasant to us all. I will now read very briefly from what Sir Wilfrid Laurier said on August 19, 1914. I would ask the house to bear in mind that in 1914 we did not have to declare war ourselves; it was declared for us; but there was no hesitation on the part of the government of that day in stepping right in and taking vigorous steps to make our participation real. I am glad now to read from what Sir Wilfrid said, and I think the house will be glad to hear it:

> It is our duty, more pressing upon us than all other duties, at once, on this first day of this extraordinary session of the Canadian parliament, to let Great Britain know, and to let the friends and foes of Great Britain know, that there is in Canada but one mind and one heart, and that all Canadians stand behind the mother country, conscious and proud that she has engaged in this war, not from any selfish motive, for any purpose of aggrandisement, but to maintain untarnished the honour of her name, to fulfil her obligations to her allies, to maintain her treaty obligations, and to save civilization from the unbridled lust of conquest and domination.

> We are British subjects, and today we are face to face with the consequences which are involved in that proud fact. Long we have enjoyed the benefits of our British citizenship; today it is our duty to accept its responsibilities and its sacrifices.

Sir Robert Borden, in reply, said:

> I have listened, . . ., with the utmost interest and profound admiration to the patriotic speech which has just fallen from my right hon. friend the leader of the opposition. Already, even before parliament had been called, he had announced to his friends and to the country that his meetings were discontinued, that the voice of party strife was hushed for the time being, and that he and his friends would co-operate in every way with those upon whom falls the duty, the very responsible duty at this moment, of administering the affairs of this country—

I read that with feeling because I thought perhaps others might be interested to have that recalled to mind, and would take pleasure in the fact that at that moment we had such unanimity in a common cause.

I look back to the war of 1914, and the rather happy go lucky way, perhaps, many people went to war. I like to think of one boy who had joined up and received his first pay. In those days pay was handed out in legal tender. When this boy was handed his first pay he said, "What is this for?" He was informed that it was his pay. "My God, do we get paid to fight?" was his comment.

I remember the first big action in 1915 in which Canadians took part and distinguished themselves. Then comes that ghastly period from 1915 to 1917 when we were involved in trench warfare where men had to cross flat fields in the face of machine guns, suffering fearful casualties.

I recall the first appearance of tanks in September of 1916. One can always find a certain amount of humour even in war, and it is a fact that when these ungainly creatures, which looked liked prehistoric monsters, lurched and rolled across the battlefield, they were greeted with roars of laughter.

The battles of the Somme, Vimy Ridge and Passchendaele belong to those days. Then came the early days of 1918 when we nearly lost the whole thing and then the 100 days from August 8 to November 11, and the steady relentless march to victory.

With victory we thought we had—God forgive us—saved the world for democracy. If we had been told in 1918 that in something less than 20 years we would be faced with a much worse situation we should not have believed it. Then came the second world war and the terrible days of Dunkirk, the march across Africa, the days of El Alamein, D-day and the march through France, Italy, Belgium and finally Germany.

I should just like to assure those pensioners who will receive the benefits of this bill that we do not forget them nor their efforts and

sacrifices, that we realize civilian life has not dealt with them perhaps as gently as it might have dealt with them, and that we will pass this bill in an attempt to help make life somewhat more palatable to those who have played a great part which meant so much to this country.

Mr. C. W. Carter (Burin-Burgeo): Mr. Speaker, we of the official opposition welcome and support this bill, as we welcomed and supported the resolution which preceded it.

We are very pleased to see the 20 per cent increase in the monthly rates and income ceilings for war veterans allowance recipients. We are particularly pleased to see the increase in the rates for surviving spouses, for orphans, and the revision in the income ceiling regarding blind veterans. We are also pleased because of the change in the allowable property value exemption, which has been increased by 25 per cent, and the allowable real estate equity, which has been increased from $8,000 to $9,000.

All of these changes have been advocated on many occasions by the Canadian Legion, and by other veterans organizations, as well as by many hon. members on both sides of this house. It must be a source of great satisfaction not only to veterans, but to the public at large, to have these measures brought forward in this bill today.

I should like to bring the minister's attention to one case which I feel has been overlooked. The minister himself, referring back to the debate on the resolution, mentioned the 133,000 veterans who had lost their war veterans allowance benefits because of the increase in their pensions.

Mr. Jones: Mr. Speaker, on a point of order; I think it is convenient at this time to correct that statement. There were not 133,000 in that category, but 13,000, with some overlapping.

Mr. Carter: Yes.

Mr. Jones: Of course they did not lose their benefits; they merely did not receive the full advantage of the increase.

Mr. Carter: Those veterans were not able to receive any benefit from the increase in pensions because their war veterans allowance was reduced by the same amount.

In order to bring these veterans back to the footing where they were prior to the pension increases, it would have been necessary to make the effective date of this bill, the same date the pension increases became effective. This bill will come into effect on June 1, as I read it, and veterans will, in a sense, lose two or three months' increase, which they otherwise would have enjoyed.

We on this side are also very pleased to see that the act has been extended to cover three additional groups of recipients. Those groups are: children of unmarried parents, who are war veteran allowance recipients; the dependents of war veterans allowance recipients, who died outside Canada; and the dependents of deceased allied veterans who have been declared eligible after death.

In view of the fact that this coverage has been extended, I should like to record my disappointment because of the fact the government has not seen fit to extend the coverage under this bill to members of the merchant navy, to members of rescue services, and fire fighters. As a resident of Newfoundland, I am especially disappointed that nothing has been done to bring the Newfoundland foresters of world war II within the compass of the War Veterans Allowance Act. However, I suppose we cannot expect everything at once. I should like to ask the minister to keep this in mind, and to bring forward the necessary changes at the earliest possible date.

I am a little disappointed also because the minister has not seen fit to eliminate the 365 day requirement in respect of veterans of world war I. He has taken a short step in that direction by the inclusion of the number of days spent by veterans on the voyage between Canada and the United Kingdom. There does seem to be, however, little reason for retaining this qualification at all, because naval veterans who cruised in home waters have been regarded as serving in a theatre of war. If members of the navy serving in home waters are entitled to these benefits, while members of the army and other armed forces are not entitled to the benefits in respect of the time spent in other than territorial waters, that does not sound logical to me.

In view of the fact that our old veterans are fading away quite rapidly, if we do not make the changes I suggest very soon there will not be many of them alive to benefit. I suggest that the few extra dollars required to date this legislation back, so as to make it conform with the recent amendment to the Pension Act, and to extend coverage to the groups I have mentioned, would be insignificant when compared with the $17 million required for the extra benefits envisaged in this bill.

We were very happy to hear the minister say that the bill would be sent to the standing committee on veterans affairs. We know it will be given thorough study and examination in the committee, and in the course

of that examination we can have the benefit of the opinions of the departmental officials and also of whatever representations any veterans organization may care to bring before us. We are very happy to have this legislation before us and we shall do everything possible to expedite its passage.

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, we have just witnessed a precedent shattering occasion rarely seen in Canadian parliamentary history in that the Prime Minister of Canada seconded the motion for the section reading of a bill. I thought it was worth bringing particularly to the attention of hon. members.

We in this group are very happy that the government has responded favourably to the representations of the Canadian Legion, of a number of other veterans organizations in Canada and of members of this house who are supporters of all the parties represented here, and in so doing has recognized the need—and it has been an urgent one for some time—for an increase in the rates of war veterans allowance to compensate the recipients for the increase in the cost of living. It has been very necessary for some time and because it will meet a particular need of those veterans and their dependents we are very pleased to see this amendment in the bill.

We are also very pleased to see that there is a provision in the bill which, after the bill becomes law, will make it unnecessary for the widows of veterans overseas in receipt of war veterans allowance to return to Canada in order to qualify. I suppose the numbers are not large, but it does remove what many of us considered a quite unnecessary inconvenience to those widows, and I am sure they will be very grateful for this amendment.

The amendment that now makes it possible for South African veterans who were aboard ship going to South Africa or returning to Canada, prior to June 1, 1902, to qualify will be welcomed by the very few survivors of that campaign. They are few in number, but I am sure we all rejoice in the fact that this amendment will bring some happiness to them.

Also the amendment in the bill, after it becomes law, which will make it possible to include in the 365 days required as service in Great Britain the time spent going to Great Britain or returning from there will meet the circumstances of quite a number of veterans. I know several who were denied the opportunity to receive the allowance because they were short a few days or a week or so. However, like the hon. member who preceded me, I am sorry that the government has not seen fit to withdraw the 365 days of service in Great Britain or now on the seas required to qualify for war veterans allowance.

There is another amendment that I am particularly interested in because it affects one or two cases in my own constituency; in fact, one most unfortunate case, because the veteran in question with whom I had a close acquaintance served in my battalion and I have a particular knowledge of the facts. For that reason and for the benefit of widows generally, I now am pleased to see that a widow who has lived as a wife with a veteran for seven years or more prior to his death can qualify as a war veterans recipient. I am not going to go into the details at the present time but there can occur some most unfortunate circumstances which are not the responsibility of the veteran or the wife concerned. In this case the lady in question received misinformation from the war office in London that her first husband had been killed, and he turned up 40 years later. As far as I can understand he simply disappeared for that time. He lost his memory and turned up 40 years later. The lady in question had married a second time. On this account—until the amendment becomes law—this circumstance has unfortunately affected her right to the war veterans allowance and I am very pleased to see this amendment included. I am sure it does not affect very many widows but it does remedy some injustice that has been suffered by a few; not intentional injustice, because legislation is amended as a result of experience. I am sure this amendment has been included in the legislation because of a few unfortunate circumstances somewhat like the type I have described. We amend legislation because of experience but in so doing we often remedy a quite unintentional injustice which even members of the veterans affairs committee who study this legislation throughout the years fail to see until a case is brought to their attention.

I am also glad to see the increase from $25 to $50, in the amount of interest on bank deposits, and so forth, and the increase in the exemption on property from $8,000 to $9,000. These are in a sense, in relation to the increase in rates, minor amendments but they do produce some benefits for a minority of persons who are otherwise qualified for the allowance.

I am glad to hear that the bill is to be referred to the standing committee on veterans affairs. The committee will hear the representations of the Canadian Legion and

other veterans organizations. It will obtain the opinions of the members of the committee and the bill will be reported back to the house where there will be opportunity to discuss it again. I trust, Mr. Speaker, that we will not be too long winded about this because I am sure those persons who will profit from these benefits are anxious to receive them as soon as possible.

I was quite interested in what my hon. friend from Greenwood had to say. We are of a similar generation. We are a couple of old soldiers who are beginning to fade away, as far as I can see. I was interested in his reference to the South African war and to world war I. I remember as a boy being taken to Portsmouth to see Lord French's army disembark at Portsmouth and march to the camps in Hampshire, and other places.

Mr. Macdonnell: We were not in the South African war.

Mr. Herridge: I do not want to mislead the house in that respect; we were not at the South African war in person but we were of an age to understand what was going on during the South African war. I was one of those who listened to Sir Robert Borden in Belgium and I also had the opportunity to listen to Sir Sam Hughes in France. We gave a bombing demonstration at his request. I was then a sergeant of bombers, and the boys were so annoyed at something he had said prior to coming to this demonstration that as we used square sandbags as dummy bombs, one chap lodged one right on Sir Sam's hat, and we all enjoyed the thud, and his surprise but that is all in the past.

In any event, Mr. Speaker, I must not detain the house. However when one gets to my age one is inclined to reminisce. Because of Canada's gratitude to those who defended our shores during various wars, because of our recognition of the responsibility of the Canadian people to veterans and their dependents and because of our recognition of their needs, the hon. member for Greenwood (Mr. Macdonnell) was quite correct when he made reference to the fact that partisan strife is hushed temporarily, and, I trust, to their advantage.

Mr. R. A. Webb (Hastings-Frontenac): Mr. Speaker, as a member of the Canadian Legion I was indeed very proud a few minutes ago when the Prime Minister (Mr. Diefenbaker) seconded the motion of the Minister of Veterans Affairs (Mr. Churchill) for second reading of this bill. As I am the son of a veteran of the South African war and also of the first great war and as I have personally witnessed the suffering and hardships endured by many of our veterans, may I say that 1961 will be a memorable year in the minds of all veterans. This bill is the third piece of legislation we have dealt with this year for the purpose of aiding our veterans. I think it is needless to say that the minister is the right man in the right place, and I am sure that all veterans in Canada will wish me to congratulate him.

Mr. H. M. Batten (Humber-St. George's): Mr. Speaker, I should like to support the principle of the bill. I recognize that it is a little difficult to define the principle of the bill briefly because the bill contains a number of amendments. However, I think we can say that the principle of the bill is to improve the War Veterans Allowance Act, and as far as that is concerned I wholeheartedly agree. I think it is wise that the legislation governing war veterans allowances should be brought into line with previous legislation dealing with an increase in pensions. In my view it is a good thing that these two pieces of legislation should be brought into balance.

I am also happy that the bill is going to be sent to the standing committee on veterans affairs where its various clauses will receive the attention they deserve and where we will be able to receive from the officials the explanations that will be required. I have always believed that the 365-day clause in the legislation has been a little rigid. I am pleased that the minister has now been able to bring in a bill to provide for the inclusion not only of days spent in the United Kingdom but also days spent in travelling to and from that country. I believe that a fair number of veterans who heretofore were excluded will now be able to come under the act.

There is one question I should like to ask. In the past some veterans have applied for the war veterans allowance and have not been eligible because of falling a few days short of meeting the 365-day requirement. If the days now to be added because of travelling to and from the United Kingdom will make them eligible, will those who have already applied be notified or will they have to re-apply after the bill has been passed? When the minister replies I hope he will be able to give an answer to that question.

I cannot refrain from saying that if the days travelling to and from the United Kingdom are to be included in the number of days which will make a veteran eligible for the war veterans allowance it must then be conceded that days spent on the high seas were days spent in a theatre of war. That, of course, brings me back to the merchant

navy. One thing that I regret about the bill is that members of the merchant marine are not made eligible for the benefits under the War Veterans Allowance Act. On an earlier occasion this year and also last year I brought to the attention of the house the plea of the Newfoundland foresters. I gave the history of this group of men some time ago in the house. Again I must say that I had hoped these people would have been covered in any amendments to the War Veterans Allowance Act. Not only would I like to see included the veterans who belonged to the merchant marine and the Newfoundland foresters but also those who belonged to the fire fighting service and the tug rescue service. However, Mr. Speaker, in general I agree wholeheartedly with the principle of the bill. I do not want to make extended remarks because I hope the bill will receive speedy passage through the house. I know it will be given careful examination in the standing committee. I hope that the bill will be passed quickly by the house so that our veterans will be able to receive the increase in benefits which I think they rightly deserve.

(Translation):

Hon. Pierre Sevigny (Associate Minister of National Defence): Mr. Speaker, may I be allowed to say a few words about this legislation. I need not tell the house that I heartily approve this bill.

Once again, these measures prove to those who served in the three armed forces during both world wars and the Korean war, that the Canadian government in fully conscious of its responsibilities towards those who, when the hour of danger struck, did not hesitate to go abroad to face the enemy, in order to preserve the principles in which they believed and an ideal which was so worth defending.

Mr. Speaker, most particularly, I should like to refer to the remarkable services rendered by our Canadian soldiers during both world wars. One thing which adds value to the heroic deeds of our Canadian soldiers in the war is the fact that this country, either in the first world war or in the second world war was never as directly threatened as France the beautiful, or even Great Britain, despite the natural barrier of the English channel in the case of the latter.

On the contrary, this country's frontiers were such that no other country was better protected from the horrors of war than Canada.

Why was it, then, that so many of our people, both in 1914-18 and in 1939-45, freely accepted to don the uniform and to go abroad to fight an enemy that did not even seem to threaten them in any direct or precise manner?

Perhaps the true reason lies in the fact that some Canadians had enough love for their respective mother countries, namely Great Britain and France, to feel compelled to lend a hand to those who had to fight for their own survival.

But, in my opinion, if so many Canadians joined the armed forces of their own free will, it is mostly because we, in Canada, are conscious of our responsibility towards democracy. We know how good it is to live freely in a free land. We also appreciate all the advantages of this extraordinary freedom we enjoy thanks to our way of life and especially to our system of government. We realize that freedom must be defended at all costs and that the ideals of truth, law and justice must be the formal rule of all of man's actions.

Moreover, I am of the opinion that the soldiers of the first world war, just like the ones of the next generation to which I belonged, namely those of the second world war, and those who fought in Korea, felt, when they signed up, that since they had the privilege of living in a free country, it was their duty to go and defend freedom on a foreign soil and to check the tide of barbarism which was threatening the whole of humanity.

I believe that the fact that Canadian soldiers volunteered to fight for this ideal makes their services even more commendable than those of the soldiers of other countries, who were fighting for their own survival. Thus I feel that we are justified to pay a special tribute to our veterans who, being the victims of their own sacrifice, must now suffer from the serious wounds sustained on the field of honour.

I feel that we have a duty to recognize and reward the services of those men by introducing, as is being done today, legislation to make their old age more bearable.

There is a second reason why our veterans deserve to be recognized in a very special way. If there is today unity between the two races forming our country, the basis of this unity can be found in the fact that Canadians of various extractions, French, English, Irish, Scottish and others, were willing in times of danger to join hands, to combine their efforts toward the same goal, the same ideal. Through their valiant deeds, they have achieved glory, but they have also made possible, for times of peace, the national unity that we are enjoying today.

This national unity that our veterans have forged in war years, at the cost of much suffering, is well worth mentioning today and time and again so as to maintain it and strengthen it in times of peace.

This bill acknowledges the merit of those soldiers of truth, justice and law who, during the critical years of the first and second world wars, fought for the survival of the ideals of democracy and liberty.

I feel the government and indeed all parties deserve special commendation for giving unanimous support to the bill now before the house.

I would not want to take more of the time of the house but I think hon. members will understand that it is because I am a veteran that, once in a while, I like to pay homage to my comrades in arms who fought with such distinction on the battlefields, to pay homage especially to those who must now carry the burden of serious wounds because they were true to their duty, and who have to rely on state assistance for a moderately comfortable existence.

Mr. Speaker, it is on their behalf that I thank all the members of this house for their support of this bill which, I am sure, will carry unanimously.

(Text):

Mr. John Smith (Lincoln): I should like to express my support for this bill to amend the War Veterans Allowance Act, the result of which is to increase the benefits by 20 per cent. I know this bill is going to bring a measure of better living to a number of Canadians who are required to live on the war veterans allowance. These men are deserving of this increased support which the Canadian government is giving them and I am sure it is a bill that is going to be well received by the public.

I am sorry the minister was not able to include in the act the small group of British imperials who served on the Afghanistan front during the first world war to which group I referred in the house on several previous occasions. However, since there is such a small number of them, perhaps he will find some other way of taking care of them. There is a great deal of credit to be given to the Minister of Veterans Affairs (Mr. Churchill) this year because he has certainly brought forward a very full program of benefits to our war veterans and I am sure the people of Canada will appreciate this.

Mr. H. F. Jones (Parliamentary Secretary to the Minister of Veterans Affairs): Mr. Speaker, I thought I would say a few words to deal with some of the questions that have been raised during the course of this discussion. I thought it was very fitting that the hon. member for Hastings-Frontenac (Mr. Webb) and the hon. member for Kootenay West (Mr. Herridge) should bring to the attention of the house the fact that this bill was moved by a minister, who himself is a veteran, and seconded by another veteran in the person of the Prime Minister (Mr. Diefenbaker). I believe everyone who has taken part in this debate has been a veteran of either the first or second world wars.

The bill, as now laid before the House of Commons, represents in some respects greater increases than those contained in certain proposals made to the government and to the department in relation to the monthly rates of allowance and the income ceilings. Some of the proposals which have been made from time to time by various veterans organizations, as well as by members of the house, have not been acceded to by the government, but I think one can tell from the discussion of this bill that, by and large, the measure has received a favourable response from hon. members and I believe it will receive the same response from the country as a whole.

I think hon. members will recall that in the speech from the throne this year the item dealing with the veterans charter which was mentioned for an increase was the disability pension under which an increase was granted a few weeks ago in the house of 20 per cent for adults and 33⅓ per cent for the children and orphans of the veterans. Not mentioned in the speech from the throne were the amendments that are now before the house. I think this represents that, by pressing forward in the department this year, the Minister of Veterans Affairs has been able to advance consideration of this measure to the extent that it is before the house a year before it might otherwise have been possible to bring forth this measure. I think probably that will answer some of the points made by those who would have liked the bill to be even further backdated.

Mention was made by the hon. member for Burin-Burgeo (Mr. Carter) of that particular point. Again I say that it has been owing to the energy and the efforts of the Minister of Veterans Affairs and the cabinet that it has been possible to bring forward and advance the stage of consideration of the War Veterans Allowance Act to this date.

The hon. member for Humber-St. George's wanted to know the position with regard to those veterans who were denied eligibility

under this act because they did not qualify for the 365 days' service overseas under the previous provision. He wanted to know whether or not those veterans would be notified of the addition under this bill of the sailing time between this country and England and return. We will certainly take into account the suggestion and will see whether or not this can be accomplished. At the same time I hope all hon. members in this house will give as wide publicity as possible to this bill in order that all those veterans who will be drawn in under no matter what additional category, may be alerted in order to see whether or not they are eligible if previously they were not eligible.

Mr. Batten: Will the hon. member allow me to interrupt him at this point?

Mr. Jones: Yes.

Mr. Batten: My question dealt particularly with those veterans who had heretofore applied for war veterans allowance. These were the people whom I was hoping the department would be able to notify if they were now to become eligible under these amendments. I recognize the fact that, as to those who have not already applied, that matter will be up to them; they will have to apply. My question referred particularly to those who had applied previously for the war veterans allowance.

Mr. Jones: Yes, of course, Mr. Speaker; the department will make every effort in order to see whether or not that is something that can be done. I myself am hopeful that it can be done and that those veterans who have made applications in the past will be able to be notified by the department of the change in the bill or to have that change brought to their attention so that they may renew their applications. However, I do not want to pass over the point which I understood the hon. member to have made and, may I say, the proper point, namely that all of these veterans who are now included in the act by reason of the various amendments made as a result of the various suggestions which have been made will not become aware of these changes in general unless we and the service organizations—I refer to the Legion and the other veterans organizations—do our jobs in bringing these amendments to their attention.

In connection with this matter of the amendment which permits the sailing time between here and the United Kingdom and back to be added to the days spent in the United Kingdom in the first world war before November 12, 1918, I think we should pay tribute to those members in the house who have raised that problem as well as to the various veterans organizations. The hon. member for York-Sunbury (Mr. MacRae) comes to my mind as well as other hon. members who have been assiduous in promoting that amendment. Some mention was made of the Newfoundland foresters and the fire fighters. That, of course, is a matter which, because of a personal association, has been made known to me since I first came into the house. As hon. members will recall, when I first came here in 1957, I shared a room with the hon. member for St. John's East (Mr. McGrath). We had not been in association very long before he was telling me about all of the problems of Newfoundlanders, including this particular problem of the foresters and the fire fighters. I think perhaps it is sufficient to say at this time that there are other acts under the administration of the Minister of Veterans Affairs and that perhaps it would be more appropriate to consider that matter under some of the other acts, particularly the Civilian War Pensions and Allowances Act.

These are just a few remarks in summing up some of the questions that have been raised by various members. The hon. member for Lincoln (Mr. Smith) has always been assiduous in his promotion of the welfare of the Afghanistan veterans. Other hon. members have raised various points which I hope we shall be able to go into more thoroughly in the veterans affairs committee when this bill is referred to it. The increases of 20 per cent for single and married recipients, with larger ones for orphans and higher exemptions for personal assets and some adjustments in eligibility requirements that are represented in this measure now before us in my opinion, will meet with the general approval not only of the members of this house and the veterans across the country but, most of all, I think of the general public as a whole. These veterans and their brother veterans made it possible for us to be in this chamber now discussing this matter. If it has not been for their stand in the defence of freedom, having regard to the attitude that Hitler was taking at the time of the last war, there certainly would not have been a Canadian House of Commons in session at this time. That is a debt that this measure and the other measures under the veterans charter can only inadequately repay to those veterans who placed their lives on the block for freedom.

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

Some hon. Members: Question.

Hon. Gordon Churchill (Minister of Veterans Affairs): Mr. Speaker, just before the question is put all I want to do—

Mr. Speaker: Order. I inform the house that if the minister speaks now he will close the debate.

Mr. Churchill: All I want to do is thank the house very much for accepting this bill so readily and with such unanimity. I should like to congratulate the hon. members who spoke for exercising so much restraint in making their remarks very brief. I think the mood of the house is that we should get on with this legislation as rapidly as possible, and consequently I will end my remarks at this point.

Motion agreed to, bill read the second time and referred to the standing committee on veterans affairs.

ARMY BENEVOLENT FUND ACT

AMENDMENTS TO INCREASE RATES OF INTEREST, PROVIDE FOR ADMINISTRATIVE CHANGES, ETC.

The house resumed, from Tuesday, May 30, consideration in committee of Bill No. C-88, to amend the Army Benevolent Fund Act—Mr. Churchill—Mr. Flynn in the chair.

On clause 1—*Interest.*

Mr. Carter: Mr. Chairman, I rise to support the requests for a further increase in the interest rates which were made by my colleagues on this side of the chamber, and also to reply to some of the arguments made by the parliamentary secretary to the Minister of Veterans Affairs last evening.

The parliamentary secretary said, as reported in yesterday's *Hansard* at the top of page 5634, that we should stick to the original principle. I believe the original principle was that the interest rates paid by the government on this fund should be in accord with the prevailing rates in the country as a whole.

Even if an error has been committed in the past and we have departed from that principle in the past, I see no reason why we should perpetuate that error and compound it again at this time.

The important fact is that this money is veterans' money. It belongs to the veteran and the government has had the use of it. In fact, the government has had the use of it for a number of years now at a much lower rate than the prevailing commercial rates in the country as a whole. I feel we ought not to take advantage of the veterans in this way. If the government is not prepared to pay the prevailing rates, I think they should relinquish the administration of this fund and hand it over to a special committee of veterans set up for this purpose.

Last evening the parliamentary secretary said that the fund came first and the use came second. What difference does that make? The fact is that parliament—with the support of all parties of this house, I believe—determined that this fund should be used in this particular way. Evidence has been produced in committee that this fund is being depleted too rapidly to perform the function that parliament assigned to it, and because of that the fund will have to be revised on an actuarial basis which will give it a shorter period of usefulness, or else the yearly benefits of the fund will have to be curtailed.

Neither of these courses would be necessary if the fund was permitted to earn revenue at the prevailing commercial interest rates. The purpose of the bill which we now have before us is to remedy this situation, but we are providing only a partial remedy. It is true that we are raising the interest rates, but the increase in revenue from these higher interest rates will still leave the fund $60,000 per year short of what it requires to carry out the normal services that it has been providing down through the years.

Surely if we are going to remedy this situation we must remedy it completely, and not half do it. I believe that was the consensus of the standing committee on veterans affairs, or at least it was the opinion of the majority of that committee. Therefore I urge the government again to reconsider this matter and bring in the necessary amendment to complete the job that this bill sets out to do.

Mr. Forgie: Mr. Chairman, as I said last evening, this money does not belong to the government and it does not belong to the taxpayer of Canada. Therefore the government, in assuming responsibility as trustee for this fund, should exert its utmost endeavour to procure the best possible return on this fund which is compatible with safety. If this were a situation in civil life and the trustee failed to do that, he would probably be faced with an action by the *cestui que trust* for failing to carry out his obligations as trustee.

Before the committee on veterans affairs Mr. Chadderton had this to say:

> Even with the proposed increase in interest in the bill before the parliamentary committee today, we can increase our expenditure to only $470,000 a year, even if we should get this increase in interest. The actual expenditures have averaged over the past ten years $530,000 a year. We are facing a very serious problem, and our board sees one of two alternatives; either they must cut down on the amount that we spend each year and leave deserving cases out in the cold, or second, we must reduce the remaining 17 years of operation of the fund.

At the present time the fund stands at $6½ million. This bill provides as follows:

> The receiver general shall credit to the fund semi-annually interest on the minimum balance to the credit of the fund in each month, at the following rates:
>
> (a) four per cent per annum, to the extent that the minimum balance does not exceed $5 million, and
>
> (b) three per cent per annum, to the extent that the minimum balance exceeds $5 million.

If we take the fund on that basis we find that the interest obtainable on this $6½ million would amount to $245,000. If the 4½ per cent 1983 conversion loan bonds were bought it would mean that the interest obtained on this amount of money, provided that the whole $6½ million were invested in these conversion bonds, would yield a return of $334,000. This is a difference of $89,000, which is sufficient to carry this fund to the completion contemplated in 1947, at the time this legislation was passed by the government then in power. I urge the minister to give this matter further consideration, because it is perfectly obvious that the return being paid over to this fund by the government is not sufficient to carry on. I maintain that the government is the trustee for these funds and should exercise the greatest discretion in seeing that the highest possible return is made, compatible with safety.

Clause agreed to.

Clause 2 agreed to.

On clause 3—*Audit.*

Mr. Herridge: Mr. Chairman, I should like to ask the parliamentary secretary a question in respect to clause 3 of this bill. In the explanatory notes I read the following statement:

> When the act was first enacted it was anticipated that disbursements for grants would be made and accounted for directly by the various provincial committees. Subsequently arrangements were made for the disbursements to be made by the comptroller of the treasury and for the accounting to be centralized at the head office of the board in Ottawa. The requirement contained in subsection (1) of section 11 that the Auditor General examine accounts of committees quarterly is, therefore, unnecessary and it is considered desirable that it be deleted.

Mr. Chairman, my questions are the following. Will the Auditor General examine the accounts of the board annually in so far as these disbursements are concerned, and will the disbursements then be made by the treasury board? I understood that interest funds were paid directly to the board and that the board disbursed them. Could the minister advise the house if the Auditor General examines the accounts of the board with the right to criticize the grants made, in a similar manner to his examination and criticism of departmental estimates? Will the Auditor General be able to say, for instance, that a particular grant is not within the regulations?

The second question I have to ask is in regard to the words "for the disbursements to be made by the comptroller of the treasury". Does that mean interest disbursement to the board, or disbursements generally?

Mr. Jones: Mr. Chairman, the amendment has a rather interesting historical background in that apparently the original clause in the bill envisaged auditing in the provincial commands. This was, and has never been done, and it has been eliminated in this bill because it has been inoperative since the inception of the fund.

As far as the hon. member's question is concerned in regard to payments being made by the comptroller of the treasury, this involves payments out of the fund to the board, and the Auditor General has the right to fully examine the accounts of the board to ensure that the handling of the fund is in accordance with the purposes of the act. The hon. member for Kootenay West will realize that the purposes of the act are broad, and that the board is not hampered in making these grants, as envisaged in this program, by this restriction. Nevertheless, I think the hon. member will agree that it is useful to have an independent person, such as the Auditor General, keep track of the activities of the board in order that, as the phrase states, not only may justice be done, it may seem to be done as well.

When I discussed this particular matter with the secretary of the board, he certainly was satisfied with the thoroughness with which the Auditor General has pursued his task in this regard.

Mr. Herridge: Mr. Chairman, this point is rather interesting to me, and I have one further question to ask in respect to the explanatory notes which say that disbursements are to be made by the comptroller of the treasury. Does the board make application to the comptroller of the treasury for certain lump sums required to meet obligations in respect to grants, or are the disbursements made by the comptroller of the treasury to the recipient of the grant? That is the point in which I am particularly interested.

Mr. Jones: Mr. Chairman, it is my impression that the board requisition for funds, and those funds are paid, in some cases, to the

creditors concerned. I think the hon. member for Kootenay West raised a question in the standing committee regarding the method followed by the board in dealing with actual crises with which veterans are faced. If I recall correctly, the hon. member directed a question, on that occasion, to the secretary of the fund, as to whether the board paid the recipient his money directly, or whether he paid the creditors directly.

Mr. Herridge: That is not quite the answer to my question. I should like to know if the treasury board, or the trustees, pay these funds directly to the recipients or to the recipients' creditors.

Mr. Jones: I think the hon. member for Kootenay West has his answer. I have stated that requisition is made by the board. The hon. member received an answer in detail regarding the actual disbursements of the fund when the secretary of the fund appeared before the committee. I am sure if the hon. member checks back in the committee reports he will find an answer to that half of his question, and I suggest I have given the answer to the other half.

Clause agreed to.

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the bill be read the third time?

Mr. Benidickson: At the next sitting.

Mr. Deputy Speaker: If the minister wishes, he may put the motion now because the bill was considered yesterday in committee of the whole.

Mr. Churchill moved the third reading of the bill.

Motion agreed to, bill read the third time and passed.

SUPPLY

The house in committee of supply, Mr. Flynn in the chair.

DEPARTMENT OF SECRETARY OF STATE

387. Departmental administration, $332,439.

Mr. Richard (Ottawa East): Mr. Chairman, does the minister intend to make a statement in respect of his department?

(Translation):

Mr. Noel Dorion (Secretary of State): Mr. Chairman, I need hardly say that it is always with some misgivings that a newly appointed minister is faced with the responsibility of introducing his estimates in the house. I shall discharge this responsibility with all the co-operation expected by the house. I know I can count on the co-operation of the house and I feel sure that co-operation will also be helpful to all those who are interested in knowing about these estimates and their use.

(Text):

I should like to make a few brief remarks with respect to the estimates of the Department of the Secretary of State. This is one of the oldest departments and I feel that most hon. members are sufficiently familiar with the operations carried on within it that it is not necessary for me to take the time of the committee to outline them.

The expenditure of the department is, as hon. members will note, just over $5 million annually. The estimated amount required to operate in the period 1961-62 is $94,117 more than that which was estimated for 1960-61, an increase of 1.8 per cent.

This department is also a revenue producing department, and I might say that the revenue for the year 1960-61 was $2,726,550, which represents a small increase, namely $28,535, or slightly more than 1 per cent over that collected in 1959-60.

I should like to indicate briefly the reasons why I am asking the committee to approve an amount of $94,417 more than the amount estimated for last year. In some areas the increase is more substantial but in others we have been able to effect certain economies, and thus the total additional amount required is relatively small.

Our salary item is up $149,167 over last year. This is almost entirely due to salary revisions, statutory increases and reclassifications, since the net increase in the department's establishment is only one position. There is also an increase of $15,000 in the amount required to provide for translation done outside the bureau for translations, and an increase of $18,000 for supplies and equipment in the nature of special types of filing and storage equipment in the companies division and the patent office.

Thus we estimate a total gross increase in our requirements for certain operations of $182,167. Against this figure we balance the economies to which I alluded earlier. The large item here is a decrease in the costs of printing patents and the *Patent Office Record*. We show a total decrease under our publications object of $75,800. In addition there is a decrease under other items of $12,250 which,

when added to the decrease under publications, gives us a total figure of $88,050 less than we estimated that we required for these objects last year.

We therefore need $182,167 more than we estimated for last year for certain of our operations, and $88,050 less for others, giving us a net requirement of $94,117.

Having delivered myself of these statistics I am prepared to attempt to deal with such questions and to accept in a co-operative spirit such suggestions as hon. members may care to make as the appropriate votes are called. I would point out that the order in which it is proposed that my estimates will be dealt with is, first, the Department of the Secretary of State, then the chief electoral officer, followed by the civil service commission and finally the Department of Public Printing and Stationery. In the interest of orderly discussion I would suggest that this order be carefully followed, disposing of each branch and likewise of each vote of each branch, before passing on to the next.

Mr. Richard (Ottawa East): Mr. Chairman, the committee is happy to welcome the new minister presenting his estimates to the committee for the first time and we wish him well in his new office. I hope—and I have repeated this for many years since 1945—that the new occupant of the post of Secretary of State will stay long enough in this post to become acquainted with this very complicated department and so that we may be in a position at a future time to be a little more difficult with him and to expect that he will be an expert in each of the branches of his department. That has been "lacune", as we say in French, in the past. As soon as the minister has been long enough in the department for hon. members to feel that they should be questioning him closely he disappears to another department or to the Senate. I do not know why the Secretary of State is picked for that particular function although if my hon. friend feels he should go to the Senate I have no objection, of course, and I would wish him well there, too.

Mr. Dorion: Thank you.

Mr. Richard (Ottawa East): As the minister has said, the Department of the Secretary of State has a number of important functions to perform. However, at this time I wish to make only a few general remarks relating to the branch dealing with patents, trade marks, copyrights and designs in a general way because I will come back to these items for questioning more specifically during the discussion of the particular estimate.

As you know, Mr. Chairman, it has been a little bit difficult to get ready to question the minister on these estimates this afternoon because the last report which we have from this department covers the year ended March 31, 1960, and of course that is hardly useful at this late date. I do not blame the minister for this, and I was assured that if the estimates had been taken up a little later we could have had more information. However, I will try to proceed by the slower process of questioning.

As I was saying, one of the important branches of the Secretary of State's department is that which relates to patents, trade marks, copyrights and designs. It is quite some time since we received the royal commission's reports on patents, industrial designs and copyrights. One of the first questions I ask the Secretary of State is whether it is the intention of the government at this time or in the very near future to implement the reports of the royal commission or at least to take some of the suggestions from them and include them immediately in the existing acts by way of amendment.

There are two ways to proceed, of course. The first is to introduce a new patent act, a new industrial designs act and a new copyright act. The second is to take some of the suggestions in the reports already presented by the royal commission and bring them forward as amendments to the existing acts. As the house knows, these very important pieces of legislation, the Patent Act, the Trade Marks Act, the Copyright Act and the industrial designs act bring about, in a way, monopolies in favour of a particular person or company, and the departmental report has shown in the past and would show now if it were available that the owners of these so-called privileges are not in the main Canadian subjects.

In 1959-60 Canadians obtained approximately 1,500 patents out of 21,000 granted by our patent office, and the same thing can be said about trade marks, industrial designs and copyrights. In the light of the desire of the government to see that the rights of Canadians are protected, possibly something might be found in the royal commission reports on patents, industrial designs and copyrights which might be helpful.

I know, for example, that only recently in the course of the investigation into drugs being conducted by the combines investigation branch it was found that the prices of

drugs are greatly affected by patents, by the exclusive right of a certain person or company, mostly foreign, of course, which owns a patent and can dictate the price of a particular drug because they are the exclusive manufacturers and owners of the right to make that drug. It is true that there are some provisions in our Patent Act which permit licensing but these are very difficult provisions. The royal commission suggested some broadening of the licensing features with respect to patents to allow Canadian industry and the public to benefit from these inventions whether they concern drugs or other things.

In connection with the industrial design and copyright legislation there is one feature that comes to my mind. The revenue of these two branches is very low and one reason why it is so low is that the acts are not operative. We require as soon as possible a new copyright act and a new industrial designs act. They are antiquated and almost useless in their present form. If the minister will look at the figures for 1959-60, and they must be similar for 1960-61, the revenue of the industrial design branch from filing fees was $4,000 and I believe the revenue in the case of copyrights was $17,000, hardly sufficient to pay half of the cost of the salaries involved in these two branches.

But that is not the one and only reason for amending these acts. The real reason is that the acts are not operative. We need a new copyright act, one that will protect the rights of Canadians. Again, this act is being used by people who are foreign to this country to exact very high fees or royalties without any control being exercised through our own legislation except by so-called international agreements which are really designed to protect the rights of people in other countries because they are the ones who have the greatest number of copyrights.

I am simply making general remarks. I ask the minister to take a look at the legislation in the light of the three reports on patents, copyrights and industrial designs. I have not said much about industrial designs because the subject is rather technical but, as the minister knows, the present act is very faulty. It is only supposed to cover the shape, appearance and configuration of an article like a Coca-Cola bottle because it has ribs on the side or in the case of other articles the round shape or hollow shape or whatever the case may be. The act does not cover any mechanical features, and the real purpose of an industrial design patent is to cover the mechanical features which are not the subject matter of a patent of invention. I do not intend to say more at this time. I think I have said enough of a general nature and I will question the minister on the particular items of his estimates as they come before us.

Mr. Dorion: Mr. Chairman, I appreciate very much the words of the hon. member and his constructive manner of discussing these questions.

(Translation):

As to the legislation suggested by the Ilsley commission, I have already stated in the house, following a question put to me by the hon. member for Assiniboia (Mr. Argue), that the officials of my department were preparing legislation according to the order of the recommendations submitted by the commission.

Looking at the order in which the recommendations were made, we find that the first suggestion had to do with the Copyright Act. On that point, as the hon. member is surely aware, Canada in 1952 ratified, or rather signed the universal copyright convention.

The next step is to ratify it and make it effective in Canada.

The question arose as to whether we should await the complete revision of the copyright, or whether at this stage we should just ratify the convention without awaiting the revision. I think on the basis of the steps already taken, I can reassure the hon. member on that point, because the last steps required before ratification are nearly completed. It is important that ratification be approved, either by parliament or by the governor in council, according to the advice we shall get from our legal advisers.

With regard to the other pieces of legislation, as I indicated a moment ago, we are preparing a complete revision. Unfortunately, I do not think it will be possible to place them before the house during this session.

Mr. Richard (Ottawa East): I hope the minister will realize that I am not as anxious as he is—perhaps he misunderstood me—to ratify the international convention, unless I can be assured that it will in no way affect our rights under the new copyright act, and that the new act will give greater protection to Canadians than the present act.

Mr. Dorion: That point I would answer as follows. If the effective acceptance of our convention under the existing law, can in no way affect the legislation which will eventually be adopted, the period of time already set down in the convention and our existing law will have to be respected.

Here is the problem: In the light of the Ilsley report, would it be better to adapt our law to American legislation or should we keep the provisions of our Copyright Act which stipulates that copyrights are good for a period of 25 or 50 years after the writer's death? If we can thus ratify the universal convention immediately without having to amend the existing legislation, we will have the protection we need against certain provisions of American legislation which, at present, are prejudicial to some of our writers.

Mr. Pigeon: Mr. Chairman, I should like to make a proposal which would benefit national unity and which, if adopted, would at the same time represent a substantial saving for the government.

I would like to say a few words especially about the publication in French, of certain documents issued by parliament or the government.

Section 133 of the British North America Act, 1867, reads as follows:

Either the English or the French language may be used by any person in the debates of the houses of the parliament of Canada and of the houses of the legislature of Quebec; and both those languages shall be used in the respective records and journals of those houses; and either of those languages may be used by any person or in any pleading or process in or issuing from any court of Canada established under this act, and in or from all or any of the courts of Quebec.

The acts of the parliament of Canada and of the Legislature of Quebec shall be printed and published in both those languages.

The last paragraph of the British North America Act does not suggest any procedure, but it certainly does not recommend an English original and a French translation. It is clearly stated in the first part:

and both those languages shall be used in the respective records and journals of those houses.

It would therefore seem that the legislator intended both languages to be used equally, and not separately, by producing an original text of which a translation would be made later.

Mr. Chairman, I would like to commend this Canadian government which, for some time now, has had some of its publications printed in both languages under the same cover. I have here a bilingual report entitled:

Report of the special committee responsible for considering the proceedings of the House of Commons, jointly with the Speaker, submitted by the Hon. Roland Michener, Q.C., Speaker of the House of Commons.

which was published on July 25, 1960.

I might also point out that *Votes and Proceedings*, bills and all documents of the Quebec legislature are printed in both languages.

Every paper there is printed in this way. The cover is printed in both languages, i.e. French and English, and the text inside is also bilingual, that is French on one side and English on the other. The order paper of the Quebec legislature follows the same pattern.

By printing first of all the English text and then the French text, we may sometimes experience delays of several days, weeks or even months, for instance in the case of minutes and proceedings of committees of this house and of the Senate. And what about annual reports of some departments?

I have here some French editions which were published two months after the English ones. In such cases, the French version is so outdated that its value is greatly reduced.

French speaking members of the house and people who wish to carry out research will rather use the English version which is available, than wait for a French translation which does not come. Those people will not go to the trouble of reading the French version when it comes, after weeks, perhaps even months, of delay, a situation which makes it practically useless.

To facilitate the consideration of this problem, let us take as an example *Hansard* for the House of Commons and for the Senate, bills, committee, board and departmental reports and, finally, the Canada Year Book.

I wish to point out that, as I said a while ago, there has been great improvement in that respect under the present administration. Indeed, instead of getting the minutes and proceedings of the committees of the house two, three, six and even eight months after the English version of the reports, we get them only a few days or a few weeks late.

The English and French versions of *Hansard* of the house and of the Senate could be printed side by side in the same edition; thus we would have only one edition with both versions, instead of two different editions.

The same thing could be done for bills by printing both versions of amendments side by side, and the explanatory notes, at the bottom of corresponding pages.

That is the system which has been followed since confederation, in the legislature of the province of Quebec. As I said before, it was even tried here once, as an experiment, under the present government, with a report of the Speaker of the House of Commons.

The same thing could be done for committee reports as for bills; the English and French versions could be printed side by side. Naturally, the translation of the minutes and proceedings would have to be hurried up by giving stenographers' transcripts to the translators instead of letting them wait for the printed version. If you calculate the amount of time it takes to transcribe the stenographic reports, to revise them properly, to set them up, to print them and to prepare and distribute the booklets, then translation can easily be delayed for several weeks. If translation were done from the transcript of the shorthand notes, the French version would be available as soon as the English edition.

As for commission or departmental reports those publications are of the utmost interest to the public of both languages, and therefore they should be published not only simultaneously but in side-by-side editions.

The Canada Year Book is obviously quite extensive. It could be subdivided into several volumes with French and English pages side by side.

Mr. Chairman, coming back to reports of committees, I learned during a personal investigation, that when a Senate or House of Commons committee sits in the morning, it could be possible, like it is for *Hansard* in both houses, to translate and edit the text and send it to the printers within 24 hours. This would obviously involve a fast process which would require co-operation on the part of the committees, the reporters and the secretary, the translators, the editors and the printing bureau.

If the sitting of the committee ended around one o'clock, for instance, the reporter could make his copy available bit by bit as it was transcribed, instead of waiting until the whole sitting was completed. In that way, the translators could, in the afternoon, start working on the proceedings of the morning sitting, and by maintaining this rate of production, translation and revision, it would probably be possible to send the copy to the printer the following day.

This is, of course, a matter of probability, but the margin of error, even if it reached 24 hours in some cases, would be nothing as compared to the present time lag. Under present conditions, apparently, the translation is started only after the original copy has been printed and stitched. Even at that, it would certainly be possible to publish a report of committee proceedings within seven to 10 days. At the present time, the French copy may well be published only several weeks and even months, as in previous years, after the English booklet has been made available to the public.

Delegates to the last federal-provincial conference of November 1957 recall that it was possible to distribute the French text to the delegates at the same time as the English text. Of course, that was an exceptional case, but work was first sent to the translators in the afternoon; they worked until late in the night, and at nine o'clock in the morning, the French mimeographed copy was in the hands of the delegates at the same time as the English copy. This was mimeographed copy, but at the previous conference, the copy had not only been mimeographed, but printed. This shows that in the matter of translation, the French version can, if necessary, be ready a few hours after the English copy. If we want to save money and time, the next step would be to publish both versions together under the same cover, thus requiring only one setting of the type and one team working in both languages.

Mr. Chairman, there is of course the fact that a large number of committees may be sitting at the same time, both in the Senate and in the house.

One of the many problems that arise is the matter of the availability of translators. In view of that, consideration might be given to increasing the number of translators working on committee proceedings, or to having several shifts so that the work would go on without interruption.

It goes without saying that use should be made of the quickest translation facilities, and that as far as possible, the most efficient and modern methods of translation should be promoted.

Several thousand dollars would certainly be saved if there was only one printing instead of two; once the material is collected, there is only the page setting to be done, so that the French text will face the English text, and then it is ready for the press. Otherwise, there must be two type settings and two printings and everything else involved in two operations. It would also result in a saving of paper because it often happens, both in French and in English publications, that many pages are left blank. This applies not only to the official reports of the house and the Senate, but also to all committee and commission reports.

Mr. Chairman, if we examine, for instance, the figures showing expenditures incurred by the government for printing certain documents pertaining to the operation of the house and Senate, we note that in 1955-56 the English edition of *Hansard* cost $240,708.28 and the French edition $151,364.60, or a total of $392,072.88.

In 1956-57, the printing costs of the same documents reached $254,493.82 for the English edition, and $161,940.29 for the French edition, or a total of $416,434.11. It should be realized that those are considerable sums of money—nearly half a million dollars.

Moreover, the printing costs of the *Votes and Proceedings* of the house, for the same two years, amounted in 1955-56 to $13,790.66 in English, and $9,129.12 in French, or a total of $22,919.78; in 1956-57, those amounts were $16,820.20 in English, and $11,394.23 in French or a total of $28,214.43.

We could also quote similar statistics for the order paper and other documents concerning the business of the Senate and the house.

As to the minutes and proceedings and records of the various parliamentary committees, we unfortunately do not have before us separate figures for the French and English printing costs, but we have an expert's opinion on this matter, to the effect that the proportion of expenses is about 75 per cent for the English edition and 25 per cent for the French edition.

Therefore, when we say that, in 1956-57, the printing costs of the proceedings of the committee on banking and commerce amounted to $18,920.95 we may be assured that 75 per cent were spent for the publication of English text and 25 per cent in respect of the French translation. Similarly, in 1956-57, the external affairs committee asked for $10,891.02 to print its proceedings, the same proportion prevailing for the English and French editions.

Therefore those are considerable expenses representing a heavy burden on the public budget. If there is any possibility of reducing those expenses, I think we should not hesitate to do so. Indeed, printers will tell you that the main expense factor in printing is the lay-out and the time required for that operation.

Once a page, or eight, or 16 pages are all set up the press does the work. Costs are mostly made up of lay-out work. If there could be only one typesetting operation for the English and French versions instead of two separate ones, it would result in considerable savings, in view of the large number of Hansards, proceedings and reports of committees published both by the Senate and the house in one single session. Within a few years, the savings would offset the annual cost of printing those documents.

Bearing in mind that in 1955-56, the total cost of printing committee proceedings and other documents of the house and Senate amounted to $764,429.06, including $92,607.86 for committee reports, and that in 1956-57, the same costs were $698,563.97, including $109,120.74 for the committees, one realizes the tremendous savings that would result if printing costs could be reduced perhaps 25 per cent or even more. It is not a matter of complicating the work, but on the contrary, of simplifying and reorganizing it and giving recognition to the truly bilingual character of our official documents.

Government publications are filled with tables and statistics requiring an equal number of forms in each language; in publishing a single bilingual edition, duplication of that work would be avoided.

I am only expressing a wish, but I do hope that in view of the importance of the matter from the angle of national unity, and in view of the possible savings involved, a committee of officials will soon be set up to this effect. The committee might include official representatives of the printing bureau, the bureau for translations, the editors of the various departments, as well as the secretaries of the house committees, who could jointly consider the practicality of this scheme.

The importance of publishing English and French simultaneously and side by side comes from the fact that as long as those documents are published separately, English speaking Canadians will never see the French version and vice versa, which is contrary to the spirit and the letter of our constitution. Under the present system, English texts enjoy an undeniable priority, because of the circumstances in favour of such an anomaly.

In brief, the important thing is to make sure that the French language has in fact the same rights as the English language and to see that French publications are printed at the same time as the English ones, while saving money. By publishing them side by side and under the same cover, we would

avoid this delay and we would assert the true bilingual character that is guaranteed to us by the British North America Act.

Mr. Chairman, I have here two comparative tables showing the expenditures incurred by the government during the years 1955-56 and 1956-57 for the publication of certain documents dealing with the proper functioning of the Senate and the House of Commons. It would be too long to quote all those figures in detail here, but I ask your permission to table them for their publication in *Hansard* to supplement my argument.

So, Mr. Chairman, I ask leave to have printed in the record, at this point, these two comparative tables. They are official documents and besides, they are quite short and will help to support what I have just said.

The Deputy Chairman: Before I give this permission to the hon. member, he will have to obtain leave from the house. Has the hon. member the consent of the house to have those tables printed in *Hansard*?

Mr. Roberge: What is the source of that information?

Mr. Pigeon: They are comparative tables indicating the cost for printing parliamentary documents, that is the debates of the House of Commons, committee reports and so on, for the years 1955-56 and 1956-57. They are official documents.

The Deputy Chairman: Is the answer given by the hon. member for Joliette-L'Assomption-Montcalm satisfactory?

Mr. Roberge: I feel that the answer is rather vague. We need a more specific answer as to the source of that information so that we can make a comparison later on.

Mr. Pigeon: Mr. Chairman, I got those figures from the Clerk of the House of Commons, and they are official figures.

Mr. Roberge: Oh, very well.

The Deputy Chairman: Then has the hon. member consent to print those documents in *Hansard*?

Some hon. Members: Agreed.

[*Tables referred to at p. 5672.*]

Mr. Pigeon: In conclusion, I should like to congratulate the Secretary of State in charge of that department for his excellent work. I am very happy—

Mr. Meunier: Would the hon. member please not read so fast?

Mr. Pigeon: I am quite willing to accede to the request of the hon. member, but I am not reading. I will speak more slowly and ask the hon. member to correct what he has just implied.

As I was saying I commend the Secretary of State in charge of the department for the services rendered. He has done excellent work. He has done a lot towards national unity.

I hope that he will rise to make a few remarks on that matter or rather on what I just said. I hope that the minister will have something to say concerning the printing and publishing of documents since he has assumed responsibility for this department which he so ably administers.

Mr. Caron: Mr. Chairman, I must say, first of all, that I readily endorse the remarks made by the hon. member for Joliette-L'Assomption-Montcalm about bilingualism.

However, a slight correction is in order. He claimed that under the present government it was suggested for the first time to print the official report of the house in French and in English under the same cover.

I have here the standing orders of the house of 1955 published in French and in English under the same cover. Therefore, there is nothing new about this. I admit, however, that those are about the only documents that are published both in French and in English.

The House of Commons has always published its standing orders in both languages under the same cover. This is an old practice that has been maintained. I am pleased to congratulate those responsible for it at present.

But I fully agree with the hon. member for Joliette-L'Assomption-Montcalm that there is plenty of room for improvement.

For instance, I note that since his appointment, the new Queen's printer has applied himself to hasten the printing of French reports. But, up to now, his efforts have not been completely successful, and it is alleged that this is due to a shortage of translators.

Well, I believe that the department should strive to recruit more translators, if they are to be found. I know there must be some somewhere, for when we decided to establish a simultaneous translation system in the house, it was possible to secure the services of expert interpreters who perform a remarkable job all day long.

Supply—Secretary of State

(Text):

COMPARATIVE FIGURES SHOWING THE DISTRIBUTION OF THE COST OF PRINTING PARLIAMENTARY PAPERS FOR THE FISCAL YEARS 1955-56 AND 1956-57

		1955-56		1956-57	
		$	$	$	$
Debates	English	240,708.28		254,493.82	
	French	151,364.60		161,940.29	
			392,072.88		416,434.11
Stationery, Supplies and Equipment			61,942.43		58,293.07
Votes and Proceedings	English	13,790.66		16,820.20	
	French	9,129.12		11,394.23	
			22,919.78		28,214.43
Order of the Day	English	15,557.69		21,554.94	
	French	8,991.00		12,277.16	
			24,548.89		33,842.10
Senate Minutes			12,164.97		—
*Evidence of Committees			92,607.86		109,120.74
Printing of Bills			27,791.75		17,228.72
Divorce Bills			24,835.89		4,869.65
Printing Forms, Binders, etc			21,272.47		12,056.09
Senate Printing			58,787.21		—
Binding, Statutes, Votes and Proceedings, etc			21,242.06		8,525.72
Reports of other Government Departments			4,240.27		9,409.86
Resolutions			—		406.36
Restaurant			—		156.27
Miscellaneous Printing			2.60		6.85
			764,429.06		698,563.97

* See Schedule 1.

SCHEDULE 1.

COMPARATIVE FIGURES SHOWING THE DISTRIBUTION OF THE COST OF PRINTING EVIDENCE OF VARIOUS COMMITTEES FOR THE FISCAL YEARS 1955-56 AND 1956-57.

	1955-56	1956-57
	$	$
Agriculture and Colonization	6,749.93	10,398.59
Banking and Commerce	4,356.30	18,920.95
Capital and Corporal Punishment, and Lotteries	13,098.67	3,311.24
Marine and Fisheries	322.49	354.79
Standing, Sessional and Special, House of Commons	302.20	123.37
Privileges and Elections	3,780.37	—
External Affairs	7,848.76	10,891.02
Veterans' Affairs	2,273.37	—
Estimates	11,850.87	14,405.93
Railways and Shipping	10,710.37	6,238.04
Broadcasting	12,837.92	—
Industrial Relations	9,479.64	1,148.77
Railways, Canals and Telegraph Lines	6,205.14	5,565.33
Miscellaneous Private Bills	65.78	210.13
Public Accounts	701.97	2,521.51
Fed. Dist. Commission	806.58	18,302.49
Procedure	917.50	—
Research	—	7,123.51
1955-56 Accts. Paid in 1956-57	—	9,605.07
	92,607.86	109,120.74

(Translation):

I wonder whether the Secretary of State should not make a serious effort to recruit translators.

On the other hand, if it is true that the translators in the employment of the government get a lower salary than those who work for private companies, I am of the opinion that the Secretary of State should immediately put a request to the government to raise the salary of those who are particularly qualified to translate efficiently in English or in French. I support the suggestion made by the hon. member for Joliette-L'Assomption-Montcalm to intensify the efforts in that area.

[Mr. Caron.]

I know that everybody wishes to secure the services of qualified translators, but it seems to me that someone is being lazy. They do not seem to realize the problem, and that is why I completely agree with the hon. member for Joliette-L'Assomption-Montcalm.

I hope that the present Secretary of State will do all he can and that he will hold his office long enough to enable him to complete the business undertaken, because, as the hon. member for Ottawa East (Mr. Richard) said earlier, the secretaries of state succeed each other so rapidly, these last few years, that they do not have time to complete whatever work they have undertaken. The Secretary of State would have to stay in his present position long enough, at least till the next general election. Then another one could be appointed who would prove himself very capable, and in this way such work could be continued and even increased.

Moreover, like the hon. member for Joliette-L'Assomption-Montcalm and other hon. members both French and English, I would like to see implemented in this house the system used at Quebec. The bills there are printed in two columns, one in English and one in French, which allows anyone not too familiar with the other language to follow on the translation and thus be able to better understand the legislation.

If such a system were implemented here, it could be indicated that in the event of inconsistencies the English or the French as the case may be has precedence.

Whenever there appears to be any ambiguity due perhaps to translation in either of the two official languages, it would be easy to state at the end of the bill, that the original text will have precedence over the translated version before the courts, parliament and elsewhere.

Anyhow, I am sure that the actual Secretary of State is acting in good faith and good will. As a patriot, he intends to improve the situation whenever opportunity arises. Therefore, I do not blame him in the least for the conditions which existed in the past, but I hope he will also share the views expressed by the member for Joliette-L'Assomption-Montcalm and myself.

Moreover, I have already advocated more complete bilingualism in this country. In my view, the best way would be to follow the method now in use in Quebec, that is, to print the two texts side by side so that everyone could better understand the meaning of the other.

Now, Mr. Chairman, I hope that the Secretary of State will kindly speed up the work in order to improve the situation.

Mr. Dorion: Mr. Chairman, I wish to thank very sincerely the hon. member for Hull (Mr. Caron) and the hon. member for Joliette-l'Assomption-Montcalm (Mr. Pigeon) for what they said about me, and especially for their really practical and appropriate suggestions, which I shall not fail, indeed, to take into account in carrying out my duties.

However, I should like, at the very start, to say that I wish to reply particularly to those remarks, because the problem seems to me of capital importance. For instance, I simply wish to point out, to begin with, that the jurisdiction of the Secretary of State is somewhat limited by paragraph 3 of chapter 270, dealing with the bureau for translations:

> —the duties and function of which are to collaborate with and act for all departments of the public service, and both houses of the parliament of Canada and all bureaus, branches, commissions and agencies created or appointed by act of parliament, or by order of the governor in council, in making and revising all translations from one language into another of all departmental and other reports, documents, debates, bills, acts, proceedings and correspondence.

In other words, the point is that for all branches, departments and particular agencies, those branches, departments or agencies ask the bureau for translations to do such and such a task, such and such translation work; it is therefore the responsibility of the authorities of each branch or department to determine the work they want to be performed by the bureau for translations.

I must say there is, it seems to me, a constant improvement and that, more and more, instead of using at times the English language, and at other times the French language in those documents, at least in the very simple ones, such as letter and envelope headings, etc., the tendency is increasing to use both languages simultaneously. And I feel that even from a practical point of view much success has been achieved and that, in my opinion, is more in accordance with clause 133 of our constitution.

On the other hand, as far as the translation services are concerned, I think we have recently recommended to the civil service commission to raise the translators' salaries and the hon. member for Hull is quite right when he says we should do more along these lines in order not only to add to the number of our translators but also to increase their qualifications.

I must say that the bureau for translations has a staff of highly qualified men who perfectly discharge their duties, but we often ask quite a lot of them, more than they

can do, with the net result that those requirements cause delays which are not due to the bureau of translations or to the translators but rather to the fact that there are not enough translators.

On the other hand, I must say that we now experience lots of difficulties when recruiting translators. I understand that about twenty positions remain open, despite all efforts to create an interest among translators who come to the rescue of those already with the bureau who, in my opinion, do their duty perfectly well.

Now, about the department itself, and this, I think, covers the third part of the remarks made by the hon. member for Hull and the hon. member for Joliette-L'Assomption-Montcalm—I am most happy to see that cooperation as between members of the opposition and government members is achieved on such a sore point as that—I must say that we have most successfully tried to establish the idea of bilingualism at most levels of the administration of the printing bureau.

Recently we opened a shop in Toronto which, of course, comes under the Queen's printer, and the experiment has proved most fruitful, as French and English publications are found there side by side. As a matter of fact, the last report I received was astounding. It is remarkable to note the increase in the sales of French publications, simply because the French issue was put immediately beside the English one.

This might be an incentive for the citizen who wants to improve his French or English. He can buy both the French and the English editions.

Moreover, we intend to open another establishment of this kind in the very near future in Montreal, and we will proceed exactly the same way.

I must indeed say that the sales manager is perfectly bilingual.

As to the other things we have done, I might mention a few. Notices to tenderers are now completely bilingual. There is no need to change the form according to whether we are dealing with a French speaking or English speaking tenderer, because the same form is sent in both languages to all parts of Canada.

This also applies to calls for tenders, to calls for a description of machinery, to general circulars, to instructions to employees and even to ball-point pens or pencils, which previously had only an English inscription.

I should also mention some improvements for which I can take no credit, since they were brought in before I took this office, perhaps under the former administration, I do not know, and I do not want to take credit that is not mine. However, to the list I have just given, we could add the following documents: printed specification documents, printed specification forms, business forms, slogans on stationery items, various posters for boards, directions inside as well as outside the buildings, parking signs, press releases and the samples which are now under press.

As for the secretary of state department itself, we have moved to other quarters quite recently, and that was an opportunity to see that everything be entirely bilingual, in order to respect the principle so eloquently upheld by the hon. members for Hull and for Joliette-L'Assomption-Montcalm.

(Text):

Miss LaMarsh: Mr. Chairman, I hope that I will be forgiven if I speak in respect of a particular element of the responsibilities of the Secretary of State which has already been touched on briefly by one of my colleagues, and I refer to the matter of an amendment to the Canadian Copyright Act or, as I should like to be able to refer to it, the repeal of the present act and the institution of a completely new, modern act, as recommended by the report of the Ilsley commission and, in addition, of course, the ratification of the universal copyright convention.

I was somewhat astonished this afternoon to hear that consideration has been given by the department to the ratification of the convention prior to an amendment to the Copyright Act. Since excellent legal authority has looked at the problem and, in fact, the Ilsley commission was set up and assisted by the best authorities regarding the subject, I should like to refer to a statement made in section 6, page 16 of the report.

That statement is, that Canada, as a signatory to the convention, has a right to ratify it, but before it does so, it must be in a position, under its domestic law, to give effect to the terms of the universal copyright convention, article 10, and, therefore, it is of prime necessity that an amendment to our domestic legislation should be made first, in point of time, and, thereafter, we may ratify this convention.

That statement appears to be unopposed by anyone who appeared before the commission, and they seem to have had the best reasons for making it. In fact, the minister has been quoted earlier this year, after he received an extensive brief from the Canadian Authors

Association which recommended a new copyright act and ratification of the convention, in the Toronto *Globe and Mail*, as having told the president of that association that the amendment to the Copyright Act was under way now, and that it might be expected not this year, but next, but that parliament would not be asked to pass upon it at that time, and that a further year's delay might be expected while those interested individuals in Canada had the opportunity of studying it.

I should like to refer to that article appearing in the Toronto *Globe and Mail* of March 8, 1961, where the minister is reported as follows:

> "I hope that it will be possible to introduce a bill to revise the Copyright Act at the next session of parliament," Mr. Dorion wrote. However, following the introduction of the bill, parliament may decide to stand it over to the next session, so as to afford those interested a better opportunity of studying it and expressing their views on it.

The minister then goes on to deal with the universal copyright convention.

I became interested in this subject, which is a fairly erudite one, not through my practice of law, because I have not had the opportunity, but because of a situation which arose in my own constituency. In that constituency there is a young professional man who is the author of a book, and who intended to publish that book in Canada in an effort partly to create employment for Canadians. I do not think there is any point here for me to beat a dead horse, by saying that there is considerable unemployment in Canada and has been for the past three years, but let me say that the printing and publishing industry of Canada is in pretty sad shape.

There is a provision existing in the United States copyright act providing that books must be printed and published in the United States, and, if printed here in Canada and sold in the United States, after the sale of 1,500 copies, the author loses his copyright. The effect of that provision is that any book printed and published in Canada, and sold in the United States, may be pirated after 1,500 copies have been sold.

The author to which I refer wrote his book with the anticipation of selling a considerably larger number than 1,500 copies in the United States. I expect every author has that same anticipation. Although that individual consulted several Canadian publishers both in the Niagara riding and outside, he was advised not to publish in Canada for his own sake, but to publish his book in the United States. He, accordingly, did so.

It is impossible to say, in terms of dollars and cents, how much was lost to the Canadian publishing industry as a result of that one book being printed in the United States, but if we multiply the amount involved in respect of that one book, by the number of books written by Canadian authors and published in the United States, I suggest to the minister there is a very large amount lost annually, and we are not doing what is necessary to assist that industry, which is already in bad trouble. By the mere fact of assisting the publishing industry I would suggest that the minister's immediate response, when he has such a small department and only $5 million to expend, should have been as follows. One of the first things he should have done on coming to office was to insist that his departmental officials place before him and before the house for discussion a copyright act.

Because of the situation which arose in Niagara, I began to look into the situation and I found that ratification of the universal copyright convention, which was a convention mainly instigated by the United States, would have the effect that the printing requirements of the United States domestic legislation would no longer take effect and therefore Canadian authors would not be in jeopardy if they printed in Canada.

Canada was a signatory of the Berne convention and of the Rome convention. These things were discussed as well as the possibility of ratifying what had been signed at the universal copyright convention. The Ilsley commission spent a great deal of time on this matter and heard a great number of interested groups and individuals in this country. They produced the first report in 1957 which dealt only with copyright and, of course, not merely copyright in literature, music, works of art and things of that kind. It went much further and covered a much broader field than the present legislation, which I think was last amended or enacted in 1924. Surely, all hon. members will agree that since 1924 the world has changed drastically and in this time little protection has been given to authors, artists, architects and those individuals who produce musical works in this country, certainly not the protection which should have been given to them. The report which was produced by the Ilsley commission is one which starts with a new act in force and that is the copyright act introduced in the United Kingdom in 1956. It is a radical departure from our old Canadian Copyright Act. It is an easily readable act. It is a long act, and it establishes quite a few new rights.

The commission which sat in Canada had before it not only the new United Kingdom

act but in addition the reports of the committee in the mother of parliaments, and the report of the commission out of which the act arose. It looked into this and felt that some of those rights were not ones which should be in effect in Canada. If one spends sufficient time to read the report of the Ilsley commission on copyright one will find that in fact it is a simple document. It is one which almost goes so far as to draft the legislation.

Now, I cannot believe that in the minister's department in the past four years there could not have been found at least one person who could sit down and draw a draft act at least fully in conformity with the Ilsley report. Had this been done there then would have been an opportunity to circulate it around the country and give authors, artists and composers the opportunity to comment on something which was concrete. So far there has been no indication from this government as to whether it intends to adopt the principles of the Ilsley report, whether in fact it intends to adopt the various provisions which it recommends, or whether it intends to go off on another frolic of its own.

I think there are a lot of unpopular things which are recommended by the commission but the commission took a very bold view in order to try to produce legislation which is the right thing. I think there is a concept in the public mind that anything which is printed or published is by the common law protected and that it is an infringement of the common law to copy any such thing. Well, it does not take too much study of the subject to find that this is arrant nonsense. In the absence of a copyright act there is no natural law against using the product of any man's hands or his brains. This is the reason why jurisdictions around the world have brought in copyright acts, and have tried to keep them up to date.

Obviously, because of the nature of copyright because it is in a piece of music, a painting, a book, a scientific article, plans for a house or dwelling of some kind, because of the nature of the article, in which copyright may exist, because they are interchangeable all across the world, it therefore makes it most important that whatever our legislation be, it be something which is workable not only in Canada but around the world.

The universal copyright convention is the most modern of the agreements signed by individual countries. I believe only Russia and China did not sign. Most of the countries of the world that signed the convention have ratified it. Some of the countries, including the United Kingdom which had entered into the Berne agreement and the Rome agreement on Canada's behalf have become members of the universal copyright convention and were able to do this only after they amended their domestic copyright legislation.

I say to the minister that if his department or his officials are of the opinion that they should ratify the convention without first bringing in a new copyright act, under the authority of the Ilsley commission's report, it would appear that we shall be pretty well stuck with the provisions of the present copyright act. The Copyright Act in force at the present time does not cover modern situations such as television, the right to televise certain material which is in copyright, the right to make records, the right to sell these. It does not cover juke boxes and the records used in them; it does not cover the type of literature which is now available but which was not available in the 1920's. It makes no provision for the changes that have occurred in the last 35 years. There has been a tremendous change in trade and a tremendous change in the speed with which these articles may be passed across the world. Television, of course, can show us now instantaneously something that is occurring elsewhere and I am told that before very long we shall have instantaneous television coverage of what is occurring on the other side of the world.

Copyright is becoming of increasing importance. There are authors, artists, architects and musicians who believe that copyright should be a right in perpetuity. Of course, it cannot be that because there must be a necessary balance between what is right for the protection to a man of the fruits of his labour or of his intellect or of his skill and what is good for the body politic. At some time the ideas, the designs or the music must pass into the public domain.

We in this country are now in an unfortunate position because we do not give the necessary assistance. We not ony do not attempt to assist those creative elements in our community, we in fact depress them. We force publication in England or in the United States. In failing to protect designs, in failing to protect art and creative things of this nature we do not create a climate in which they can properly grow as they should in Canada.

I think Canada is proud of its design council. Recently the Minister of Trade and Commerce brought in a new act with respect to this. Design, of course, is not copyright but the two are interrelated because if there is a copyright in an article which is an artistic

article and which can be applied to an industrial design, then it is necessary to take away some of the copyright protections and leave them under the Industrial Designs and Union Label Act, or similar legislation.

Copyright is the first and most important of the modern legislation in the commercial and artistic fields which must come before the house. Canada cannot proceed into the 1960's in a 1920 vehicle. I would suggest to the minister that the first thing that is necessary is a crash program. I would also say to the minister that if he hears from the officials of his department that it is not possible to produce an act this year I will tell him that I as a private member in the last six weeks have almost completed producing an act. It will not be a perfect one but I have produced a draft copyright act which I will have on the order paper before the end of the session. The minister has a department where $5 million a year is spent and yet since 1957 he has not been able to produce such an act, one of the most important measures in assisting our creative people.

Mr. Dorion: Mr. Chairman, I believe that this question is so important that I should like to answer the hon. member for Niagara Falls now. I thank her very much for her suggestion. I should like to note that the report on copyrights does not attempt to draft a new statute. Furthermore, the recommendations in the report have to be studied carefully before we can decide whether or not to adopt them and, if we adopt them, how to implement them.

The subject is highly complex. It took over four years in the United Kingdom following the report of their committee on copyrights before a new copyright act was adopted. I should add that we are also working on the revision of the industrial design legislation. May I add to what I said a few moments ago. Although the matter has not been decided by the cabinet yet, on the basis of legal advice we have secured I do not believe it is necessary to change our own Copyright Act in order to protect the rights of our authors. The protection to be provided in the proposed new copyright law depends on what decision is made as to the duration of the term for which protection of the copyright is afforded. I know that in the Ilsley report there is a suggestion that the period of time be changed and if we have to change the period of time it would be necessary to have a new act, but if we do not change the period of time it would be possible to adopt the last convention and protect the rights of our authors without a new act.

If the government decides to retain the present term, namely, the life of the author plus 50 years, our legal advice is that the universal copyright convention can be ratified without changing our legislation. This matter is now before the government and I hope it will not be long before we will have a decision of the government in order to protect as much as possible the rights of our authors against foreign legislation which now creates a very difficult situation for them.

Miss LaMarsh: Would the minister answer a question? There was an article by Miss Judith Robinson in the Toronto *Telegram* of January 24, 1961 in which she alleges that the minister, in attempting to protect Canadian authors, publishers and printers from American exploitation, wants it done by diplomatic representation at the international level. Her report is based on a meeting which the Secretary of State had with Ottawa printers a week before the appearance of this article in which she alleges that the minister aspires to persuade Washington at the international level to change its copyright laws to suit Canadians. This is a pretty scathing report, not unusual for the lady who wrote the article, but can the minister advise the committee whether in fact there has been some sort of consultation between his department and the appropriate authorities in the United States from the point of view of asking them to change their laws to protect Canadians?

Mr. Dorion: I might answer that this is a question which is within the authority of the Secretary of State for External Affairs, but what I said on that occasion was absolutely true. I do not know whether it is possible for me to answer for the Secretary of State for External Affairs, but the hon. member can be certain that we made every effort possible by diplomatic means in order to have that change made by the government of the United States. Even if we did not succeed, I believe it would be easier for us to follow the procedure indicated a few moments ago without being obliged to have recourse to new legislation. Surely it would be sufficient for the protection of our authors if we ratified the convention but did not accept the period of time suggested. The commission's suggestion was in conformity with the American law and we have only to establish our own law now in respect of the duration of the period of time. I believe that if we act in that way it will be possible to protect our authors.

Miss LaMarsh: Does the minister agree that if there is ratification of the universal copyright convention first it will then be absolutely impossible for Canada, without

being in breach of the convention, subsequently to change the period during which the copyright exists?

Mr. Dorion: Yes, we fully realize that. If we ratify the convention it implies that we accept the actual period of time mentioned in our law. This is the only difficulty to my mind, but I do not believe it is necessary to refer to the American legislation to protect our own authors. I believe that the method now in existence in Canada would be sufficient in respect of the period of time for the protection of authors.

Mr. Richard (Ottawa East): I think we should congratulate the hon. member for Niagara Falls on her clear exposé with respect to the matter of copyrights. I think this whole discussion clearly raises the point that there is a conflict of opinion with respect to whether we should ratify the international convention before a new act has been adopted. The United Kingdom did pass a new act before ratifying the international convention, and I cannot see why it should be so difficult to draft an act, say for the next session of parliament, when we have had the advantage of all the work that has been done in other countries and also the work of the Ilsley commission. We have waited for a very long time for a new copyright act.

I am one of those people who is absolutely nationalist when it comes to international conventions. I know that some people in government departments are ready to seize on every international convention there is in the world and make us a party to every agreement they can make with other countries. However, we always get the poor end of the cut of beef in these matters. I have never seen us get anything very good out of an international convention. We have everything to offer others and they have nothing to offer us. This is one of those conventions where we will not get anything out of it. Others want us to agree to it because they will get something out of it. We get the short end of the stick. My point is that there is a conflict of opinion. For years, I have been asking for a new copyright act. I think we have enough material at hand now to enable us to draft a new act. It is not a question of waiting four or five years more, especially if there has been the study made during the past four years by the department as suggested by the minister.

Now, of course, the matter is rather simplified if it is true, as stated a few minutes ago, that the government has agreed the new copyright act will adopt the terms of the old act. Apparently this has been decided because it could not be changed once we adopt the international convention. Starting from there, then, the provision of the new act ought to be a rather simple matter. I think the whole discussion has centred around the question of the term. I doubt very much that we should adopt the term in the old act without some closer study, in the light of modern conditions.

(Translation):

Mr. Bourque: Mr. Chairman, before item 387 carries, I should like to ask for some information. I do not have anything to say on that item but I would like to talk about the estimates of the department of public printing and stationery. As those items come under the Secretary of State, would I have leave to discuss them when you call that item?

Mr. Racine: Mr. Chairman, I apologize for being a little late, but I should like to put a question to the hon. Secretary of State as a result of the remarks he made a few moments ago concerning bilingualism.

The minister told us that his department has for some time supplied bilingual bid forms. Does that apply only to the Secretary of State department or to all departments?

Mr. Dorion: Mr. Chairman, I think I have given a moment ago an opinion based on the legislation concerning what goes on in other departments. The Secretary of State has no authority whatsoever in that field. Now, I am not in a position to say whether or not the other departments do the same.

(Text):

Mr. Peters: Mr. Chairman, before the item passes I should like to ask the minister a technical question. I am wondering how the department functions, and how effective it is in its relations with all its branches. There is the electoral office, the civil service commission, the printing bureau and the secretary of state department, all of which appear to me to be separate and not in any way related to the office of the Secretary of State. I am wondering how these matters are handled, in a physical sense. How do you handle each one of these departments? Is there a set-up under which a deputy minister heads each one of these departments or is this a field in which we should revise the procedure for dealing with these branches? These branches, for instance, appear to me to have very little relationship to the printing bureau or to each other.

Is it now time for some reform of these branches to facilitate the handling of them within the department? Is there something that could be done to make it easier? It

seems to me they are not related, and I am wondering if this produces some difficulty for the department?

Mr. Dorion: The answer to the hon. member's question is that there are two principal branches within the Department of Secretary of State under the provisions setting up that department. One is the secretary of state proper, and the other is the printing bureau. In so far as the chief electoral officer and the civil service commission are concerned, the Secretary of State is only the spokesman in the house for them.

Mr. Peters: Has each one of these different branches a deputy minister? I know where the printing bureau headquarters are and the electoral officer—I am not sure about the civil service commission—but does the fact these headquarters are widely separated present any physical difficulty in getting around? If there is such a problem, is there any way that this can be overcome by parliament?

Mr. Dorion: There is one deputy minister or the equivalent for each of these four departments. If there is something which is not precisely correct, then I am at the disposal of the hon. member to give him all the information he desires.

Item agreed to.

390. Bureau for translations, $1,811,686.

Mr. Peters: What is the function of this bureau? Does its functions include translations that may be directed to it from the House of Commons? If so, how extensive are the facilities available in that division?

Mr. Dorion: The functions of the translation bureau are provided by law. They are to translate from French to English or from English to French, as well as foreign languages, for all departments, parliamentary reports, documents, debates, bills, acts, proceedings and correspondence. Then too, the division is responsible for the simultaneous interpretation of speeches in the House of Commons and the publication of terminological bulletins.

Mr. Peters: Are these facilities available to members of parliament? Quite often members who are not bilingual require translations of letters that are written in languages other than French or English. Is it part of the function of this bureau to supply this service to members of the House of Commons? If so, is there any specific way in which this service is obtained?

The problem, as I understand it, has been that translations have been done by several branches for members of parliament. This service is on a request basis and at the discretion of the bureau. If they wish to do it, they do so and if they do not wish to do it they do not have to do so. It seems to me that the system we have now of asking the various agencies to do this work could be greatly improved. Members should be instructed as to where this work can be done, not only in so far as the French and English languages are concerned but other languages as well. At various times, the problem is rather acute, especially when we receive letters in Croatian or some of the Scandinavian languages. It is very difficult to have those letters translated here. I am wondering if this service is available to members?

Mr. Dorion: The members of the house can have translations made by the bureau, but the bureau has to communicate with the Clerk of the house. It is to the house that the bureau is responsible, and not to each member. If there is some complaint about it, these complaints are supposed to be made to the Speaker of the House. We depend on representations from the Speaker or from the house and not from individual members of the house. Generally speaking, the translators are always ready to do whatever they are asked to do for every hon. member, even if we are not proceeding strictly in conformity with the rules and the law. The law is that we are responsible to the house and that we are obliged to give our services to the House of Commons.

Mr. Peters: Does this mean that if we wish translations to be done, we should send them through the Clerk of the house or is there an office to which we can send them? It seems to me that this procedure will be giving the Clerk of the house some unnecessary work as he would immediately be obliged to dispatch them anyway. I am not asking that this be done right now. However, I think this matter could be taken up with the Secretary of State and the Clerk of the house so that an arrangement that is understood by everyone could be worked out.

As the situation stands now, the problem is this and I am quite sure that every hon. member is aware of it. Everybody gets translations done in a different department. One hon. member finds a friend in one department, and can send his letters there for translation; another hon. member finds a friend in another department. I would suggest that there is not any formal method now by which this work can be done. If this bureau is charged with doing this work on behalf of the Clerk, possibly a better arrangement can be arrived at so that a more suitable way can be found of doing this work than

is at present in operation. I am not suggesting that I be told about this matter now. However, I am suggesting that the minister give consideration to discussing it with the Clerk so that study can be given to the matter with a view to working out a method which will make it a little bit easier for those of us who are not bilingual to handle some of the correspondence that is of that nature.

Mr. Dorion: Every department has its own officer to deal with the translations bureau. The hon. member can well understand how difficult it would be to proceed otherwise. However, if there is any procedure suggested properly, the hon. member can be sure that we will make every possible effort to give full consideration to the suggestion.

(Translation):

Mr. Bourque: Would the Secretary of State tell us whether the salaries of translators of the House of Commons, both English and French, are covered by item 390 amounting to $1,811,686?

Mr. Dorion: Yes.

(Text):

Item agreed to.

Office of the chief electoral officer—
46. Salaries and expenses of office, $83,685.

Mr. Peters: Would the minister care to comment on this department? I am particularly concerned with the changes that have been made recently on, I would suggest, a partisan basis. I will use the example of my own riding where the returning officer over a period of years has been one person. He has established a very good record. I am not sure what his politics were and I do not really care. However, he did an exceptionally good job in two elections with which I had something to do. In one of those elections we had, as I suggest to any hon. member who may not have gone through this experience, a very unfortunate occurrence that happens occasionally. I refer to a recount. A recount is very tough on the people involved having regard to the fact that it takes some time. However, it gives one the opportunity to examine the work the electoral officer has done or the returning officer has done in that area, as you have the opportunity to see the results of the instruction that was given to the deputy returning officers under his control as well as to the clerks and other officials of the returning officer.

In this particular case, to use my own vote as an example, in 1957 before the recount I had a majority of 46. After 21,000 votes had been counted I had a majority of 40. This result would strike me as being an exceptionally good recommendation for the work of that returning officer, having regard to the fact that he was able to conduct, through the people he appointed, an election as to which, after a judicial inquiry and personal examination of every ballot in the ballot box and of the work and the reports in those ballot boxes, out of over 20,000 votes the recount resulted in a change of only six votes.

In this particular case I fail to see why that man should be replaced by somebody else, as I suggest, possibly on a patronage basis. The other gentleman in this case had been doing this type of work in a provincial field and had been very unsuccessful in it. His record was not nearly as good in the provincial field and terrific complaints were made of the enumeration and some of the other things under his jurisdiction. Now we find that, for no particular reason, unless it would be a political one, this gentleman of whom I certainly have no knowledge politically, is removed and replaced by somebody else.

It seems to me that this is one field that is of the utmost importance to us. No matter what political party one may come from, I think this statement applies to the politicians involved. However, it reflects much more on the general public and on the success that may attend our desire to see that democracy works to its full extent by having as large a vote as possible. This result hinges partly on the returning officer and the ability he shows in choosing people who will see to it that the largest number possible are enumerated, particularly in an urban area and that all citizens have an opportunity to exercise their right to vote.

We know that in rural areas a person who is not on the enumerator's list, can be put on it very easily on election day. But I agree with many of the people in my riding who will say that they will not be sworn in on election day in an area in which they have lived for 40 or 50 years. Many of them have held municipal office and have lived all their lives in that particular area. To be left off the voters' list on election day is, to them, an insult. In my particular case, the experience I have had in the elections is greater than my years in parliament would indicate. I have been closely connected with the election machinery since 1947. I have had the opportunity to observe the work of various returning officers. I have found some to be conscientious and follow the book to the letter. These people do an excellent job; I am sure they have not become mixed up in politics and politics have not been used in their cases. I would not say that politics were not

used in their appointments in the first place, but this is not indicated in their operation of this office.

On the other hand, I have seen other returning officers who in my opinion have done a very poor job. They have hired people who will go down a block and not do the job properly. I remember one particular case where a boarding house was concerned. This boarding house had 66 people in it and the deputy returning officer only obtained the names of the man and woman who owned the boarding house because he believed the rest of the people did not vote the same way as they did.

In my opinion this does not do anything for the democratic process and I should like an explanation of this from the minister. I think other hon. members may be interested in this question also. In the case of men who have proven their ability and knowledge in relation to the whole of the Canada Elections Act and the operation of it—and certainly in the case where a man has proven before a judicial investigation that he has this ability and where I think it would be safe to say that no political complaint has been made of his impartiality—why should they be replaced and somebody else put in the job where the charge of it being a political appointment could be made against that person?

As I have said on other occasions where this has been done, it seems to me it does little to advance the interests of a particular political party. I say this because one man is appointed and there may be 20 who think they should have been appointed. Only one man will be grateful for the appointment and 19 will be rather upset. It does seem to me this does not do a great deal toward accomplishing the end which is intended.

I think the average Canadian citizen is more interested in honesty, integrity and the utmost attention by people concerned so that they may exercise their democratic right, be on the voters' list and may get out on election day and exercise their franchise. They would rather have this than the old, narrow concept of getting people out to the polls to vote a particular way. We, as politicians, will I am sure look after that aspect of the matter. We will be interested in getting those people to the polls whom we want to get there. Each one of us will be doing that for his political party.

It seems to me this is not the function or even part of the function of the returning officer. I am curious about this. Out of the 265 ridings in Canada, how many have been changed since the last election, and what are the reasons for any changes that have been made?

Specifically I should like to know why the change has been made in my own riding, where I think it would be very difficult for anybody to accuse the previous returning officer of having been political in any sense of the word. His job is that of clerk of a large municipality. He has the staff, the facilities and the knowledge to carry out this job and it seems to me rather foolish to change that set-up when it has worked satisfactorily.

I am curious to know how many changes there have been. Of course, none of them has been changed for political reasons; we all know that. However, I should like to know how many have been changed because of unsatisfactory service, and why has the one in my riding been changed?

Mr. Dorion: First of all, Mr. Chairman, the answer to the question of the hon. member is this. Under section 8 of the Canada Elections Act, which section I believe was adopted without alteration after careful discussion in committee before coming before the house, these men are appointed on this basis:

> The offices of all returning officers appointed prior to the passing of this act shall be deemed to be vacant and the governor in council may appoint—

The governor in council has the responsibility:

> —to such offices either the same persons as now hold them, any of such persons or any other persons; he may also thereafter appoint from time to time a returning officer for any new electoral district and a new returning officer for any electoral district in which the office of returning officer becomes vacant, within the meaning of subsection (2).

This is the law, and I believe this section was adopted without discussion on third reading of the bill. If a complaint is to be made against a returning officer, section 58 (2) of the act applies. This section says:

> Every candidate at any election and every official agent of any candidate has the right to send to the chief electoral officer in writing any complaint he may have to make with respect to the conduct of the election or of any election officer, and to suggest any such changes or improvements in the law as he may consider desirable; every such complaint or statement shall be included by the chief electoral officer in his next following report to the Speaker of the House of Commons, with such recommendations, if any, as he may see fit to make thereon.

In reply to the question put at the end of the observations of the hon. member, of all the persons appointed to date as returning officers, 81 acted as such at the 1958 general election; of this number 36 had also acted as such at the 1957 general election.

Mr. Herridge: Mr. Chairman, I was interested in the remarks made by the hon. member for Timiskaming and the reply given

by the minister. I have no personal complaints in this matter because in Kootenay West everyone, regardless of party, recognizes the excellent service that has been rendered by the returning officer in a number of elections.

I am very glad to note in the list of reappointments that he has been reappointed. A number of persons in my party have indicated their satisfaction in his reappointment. However, would the minister inform the committee who is consulted with respect to the reappointment of returning officers, because I wish to refer to a letter after I receive the minister's reply.

Mr. Dorion: Mr. Chairman, it is very difficult to reply to the hon. member because circumstances are different in every case. But I can assure the hon. member that in respect of each person we have a report of his morality. This applies to all persons who are suggested or recommended to the governor in council for appointment, and in the final analysis the governor in council is solely responsible for the appointment.

Mr. Herridge: I am very interested to hear that there is an inquiry made as to the morals of returning officers. Mr. Chairman, may I call it six o'clock because I have a very interesting letter to refer to later.

Resolutions adopted in committee of supply this day reported and concurred in.

BUSINESS OF THE HOUSE

Mr. Habel: Mr. Speaker, I wonder whether the house leader will tell us what the business will be for tomorrow and Friday.

Mr. Churchill: We will carry on with the estimates, and will deal first tomorrow with the Department of Mines and Technical Surveys. On the completion of those estimates, we will resume consideration of the estimates of the Department of Secretary of State, which I hope will be followed by the completion of the estimates of the Department of Fisheries on which we spent some time earlier. If all goes well, and the house continues to be in a co-operative mood, as it has today, we will then take up the estimates of the Department of Public Works.

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

ANSWER TO QUESTION

The following answer, deposited with the Clerk of the house, is printed in the official report of debates pursuant to standing order 39:

REPORT ON FISHERIES LICENCE LIMITATION, BRITISH COLUMBIA

Question No. 245—**Mr. Regier:**

1. How many copies were printed of a report entitled "Licence Limitation, British Columbia, and Method of Economic Fisheries Management" by Sol Sinclair, professor and head, department of agricultural, economic and farm management of the University of Manitoba, published by the Department of Fisheries of Canada?

2. How many additional copies, beyond the copies available, have been requested?

3. What efforts are being made by the government of Canada to obtain additional copies to meet the demand?

Answer by: **Hon. J. A. MacLean (Minister of Fisheries):**

1. 1,000.
2. None.
3. None.

Supply—Items Passed

[The following items were passed in committee of supply]:

DEPARTMENT OF SECRETARY OF STATE

387. Departmental administration, $332,439.

388. Companies division, $143,140.

389. Trade marks division including a contribution to the international office for the protection of industrial property, $223,658.

390. Bureau for translations, $1,811,686.

Patent and copyright office—

391. Administration division, $138,104.

392. Patent division, $2,464,547.

393. Copyright and industrial designs division including a contribution to the international office for the protection of literary and artistic works, $38,265.

HOUSE OF COMMONS

Thursday, June 1, 1961

The house met at 11 a.m.

STANDING ORDERS

Twelfth report of standing committee on standing orders—Miss Aitken.

COMMONWEALTH RELATIONS

INDIA—REPORTED INCREASE IN FINANCIAL ASSISTANCE

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, I wonder whether the Prime Minister could comment on the reports that have appeared in the press this morning that Canada has decided to increase its financial assistance to India.

Right Hon. J. G. Diefenbaker (Prime Minister): Mr. Speaker, this is one of those articles that appear from time to time as the expression of a wish, no doubt, on the part of those who write them. As I said the other day in answer to a similar inquiry regarding the question of aid, when full consideration has been given to all the implications the house will be made aware of the result thereof. There has been no decision made.

NATIONAL DEFENCE

REPORTED DISPOSAL OF SURPLUS CF-100 PLANES

On the orders of the day:

Mr. Hazen Argue (Assiniboia): Mr. Speaker, I wish to direct a question to the Minister of Defence Production arising out of a rather fantastic report to the effect that a scrap dealer in Winnipeg has some 11 CF-100's in flying condition that he has purchased from Crown Assets Disposal Corporation. I wonder whether the minister could give the house some information about this transaction. Can the minister say whether tenders were called on this disposal, and can he assure the house that there will be no trafficking in war materials?

Hon. D. S. Harkness (Minister of National Defence): Mr. Speaker, perhaps I had better answer that question. I did reply to a question in connection with the disposal of CF-100's on May 9. The answer is to be found at page 4543 of *Hansard* of that date. The policy which has been followed in connection with the disposal of these aircraft is as follows.

There is a program of removing all usable parts where it is economically practicable to do so, and the declaration of the residual hulk as scrap. The residual hulks, as a consequence of the salvage program, would not be in a flyable condition.

In the case of the particular aircraft mentioned in the report referred to by the hon. member, the articles salvaged from them comprised all the military and purely classified items such as armaments, etc. In addition there were salvaged the bulk of the instruments, electrical accessories, telecommunications, hydraulic and certain key airframe components which are essential to the operation of the aircraft.

There is no question but that the removal of these parts would render the 11 aircraft referred to in the report unfit for flying. I am assured by the Royal Canadian Air Force that it is incorrect to assume that these aircraft could be flown and could therefore be sold. As a matter of fact I am told that it would require an expenditure of several hundred thousand dollars to put each plane in flying condition.

Mr. Argue: A supplementary question, Mr. Speaker. Could the minister say whether tenders were called, and could he inform the house of the purchase price of these aircraft?

Hon. Raymond O'Hurley (Minister of Defence Production): Mr. Speaker, tenders were called in the regular way by Crown Assets Disposal Corporation and four bids were received. I do not have the prices at which these planes were sold as scrap for resale. We generally do not divulge confidential information of that nature. However, I may say that tenders were called and four bids were received.

Mr. Argue: Would the minister obtain that information and give it to the house?

Mr. O'Hurley: Mr. Speaker, I shall consult with the authorities of Crown Assets Disposal Corporation and the regular procedure will be followed. If it is possible to divulge that information I shall do so, but if it is improper I shall be required to treat it as confidential information.

Inquiries of the Ministry

Mr. G. J. McIlraith (Ottawa West): A supplementary question, Mr. Speaker. Did I understand the minister to say in his answer that these aircraft were sold for resale?

Mr. O'Hurley: No, Mr. Speaker, not as aircraft. They were sold as contaminated scrap. For the information of the hon. member let me say that the 11 planes represented 220,000 pounds of scrap.

Mr. McIlraith: A supplementary question, Mr. Speaker. Would the Minister of Defence Production explain the use of the words "for resale" in his initial answer?

Mr. O'Hurley: Mr. Speaker, the Westbourne Supply Company purchases scrap for resale, as does any other scrap dealer.

LABOUR CONDITIONS

SASKATCHEWAN—USE OF UNEMPLOYED TO FIGHT FIRES

On the orders of the day:

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the Minister of Labour which in his absence I shall direct to his parliamentary secretary. From reports received apparently there is a forest and bush fire northeast of Kelvington in Saskatchewan and farmers have been asked to leave their seeding to assist in fighting the fire. It is also reported that consideration has been given to taking grades XI and XII students out of school for the same purpose.

Would the minister check with the nearest employment office in the area to determine whether there are any unemployed listed who could be used for such purposes as fighting fires to avoid taking farmers off their fields at such a critical time and to avoid taking children out of school at a time when they are preparing for their final examinations, and thus provide employment to those who are apparently willing, according to some reports, to take on jobs such as enumeration in the forthcoming census?

Mr. R. D. Thrasher (Parliamentary Secretary to the Minister of Labour): Mr. Speaker, I shall take that question as notice.

WINTER WORKS PROGRAM—REQUEST FOR EXTENSION AND INCREASED FEDERAL CONTRIBUTION

On the orders of the day:

Mr. J. P. Deschatelets (Maisonneuve-Rosemont): Mr. Speaker, I should like to address a question to the Minister of Labour and, in his absence, to his parliamentary secretary. Has the minister any comment to make on the resolution passed by the Canadian Federation of Mayors and Municipalities requesting that the winter works program be extended to cover the whole year, and that the federal contribution to the program be increased?

Mr. R. D. Thrasher (Parliamentary Secretary to the Minister of Labour): Mr. Speaker, I will take the question as notice.

EXTERNAL AFFAIRS

LAOS—REPORTED DANGER OF COLLAPSE OF GENEVA CONFERENCE

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, may I ask the Secretary of State for External Affairs whether he would care to comment on the statement of the head of the United States delegation at the Geneva conference on Laos yesterday, when he warned that the conference is in danger of collapse if pro-communist Pathet Lao forces continue to violate the cease fire.

Hon. Howard C. Green (Secretary of State for External Affairs): Mr. Speaker, we are concerned about the effectiveness of the cease fire in Laos. Without the equipment, and also without co-operation from the various parties in Laos, it is very difficult for the commission to make sure that the cease fire is actually in full effect.

I can understand why the United States representative has raised this complaint in the conference. At the moment I am not sure just what will develop. The British delegation suggested that more detailed instructions be given to the commission and also, of course, that they be given more equipment. This is along the line of what Canada has been requesting from the start. If the activities of the truce commission in Laos are to be effective, I think it must be given this assistance.

POST OFFICE DEPARTMENT

COMPLIANCE WITH SECTION 30 OF WEIGHTS AND MEASURES ACT

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, I wish to address a question to the Postmaster General. Can the minister assure the house that section 30 of the Weights and Measures Act, which provides that all weights, measures, weighing machines and measuring machines authorized by or under this act for use in trade shall be inspected, verified, and stamped at least once every year, is being obeyed by his department?

Hon. W. M. Hamilton (Postmaster General): Yes, Mr. Speaker.

(Translation):

PRIVILEGE

MR. FORTIN—REFERENCE TO ARTICLE IN "LE SOLEIL"

Mr. Louis Fortin (Montmagny-L'Islet): Mr. Speaker, with your permission, I should like to raise a question of privilege in connection with an article published recently in *Le Soleil*, of Quebec city. The article commented on in great detail my remarks in this house during the discussion of certain amendments to sections of the Criminal Code dealing with capital punishment. The author of the article quoted me as saying something along these lines:

If we were asked today to vote for the total abolition of the death penalty, I would vote in favour of such a measure.

Mr. Speaker, the opinion I expressed at the time was quite to the contrary. My statement is recorded on page 5301 of *Hansard* for May 24, 1961, and I quote:

I shall be pleased to vote for this bill, but if I had to express my opinion right now on the possibility of abolishing the death penalty altogether, I would vote against the bill—

Mr. Speaker, without casting any doubt as to the sincerity of the author of that article, I thought I should make this correction out of respect for the truth and for freedom of opinion.

(Text):

SUPPLY

The house in committee of supply, Mr. Flynn in the chair.

DEPARTMENT OF MINES AND TECHNICAL SURVEYS

Departmental administration—

202. Administration, operation and maintenance, $1,087,947.

The Chairman: This item will be found at page 42 of the blue book and the details at page 284.

(Translation):

Hon. Paul Comtois (Minister of Mines and Technical Surveys): Mr. Chairman, before I give an outline of the work done by the Department of Mines and Technical Surveys and of the requirements for the current fiscal year, I should like to say a few words about our country's mining industry.

In 1960, the keynote was not vast explorations or major mineral discoveries but the sustained and general development of known mineral deposits. Everybody agrees that 1960 was a year of arduous problems; the situation had to be re-examined closely in certain sectors of the industry. However, it is very gratifying to notice that mining is still playing a great supporting role in our national economy in general and in our export trade.

In 1960, our mineral output reached a record high of $2,480 million, that is approximately 2 per cent more than the figure of $2,410 million reached in 1959. In each of the three sectors of the industry—metallic minerals, industrial minerals and mineral fuels—production showed a moderate increase.

(Text):

Among individual mineral commodities, copper, nickel and zinc of the metallics; asbestos, sulphur and titanium dioxide of industrial minerals, and natural gas of fuels all registered significant advances in value of output. However, appreciable decreases in the value of production of iron ore and uranium of the metallics and in some of the structural materials of the industrial minerals sector nearly balanced out production gains of other mineral commodities. Nickel, copper, uranium, iron ore, gold, zinc, lead and silver, in that order, were the leading metallic minerals in output value and accounted for about 97 per cent of the total value of metallic output.

Nickel production at 427 million pounds valued at $313 million established a new high. The development of the nickel deposits at Thompson, Manitoba, proceeded on schedule, and official opening of this operation with its 75 million pounds a year production capacity took place on April 25 of this year. Canada's nearly 500 million pounds a year of nickel capacity represents about 80 per cent of total world capacity and assures an ample and continuing supply of this metal for growing free world needs.

Although Canadian copper production increased in 1960 to reach a new record level of nearly 440,000 tons, there was apparent oversupply in world markets with a resultant lowering trend in prices toward the end of the year. Canada improved its already strong comparative position as the fourth largest contributor to the western world's copper supply. Important developments are under way for opening up new copper producing areas in Canada; a railroad and a road the latter under the government's roads to resources program, are being built to the zinc-copper Mattagami lake area of northwestern Quebec to serve new mines being developed there; significant tonnages of copper ore are being developed for production in the Highland valley area of British Columbia; and copper developments in that province, it is hoped, will eventually lead to the construction of a smelter there to treat provincial ores.

Iron ore shipments in 1960 declined about 12 per cent to 19.2 million long tons from

those of the previous year. The decline was due mainly to the relatively low steel operating rates in the United States during the latter half of the year. Shipments to the United Kingdom and western Europe increased both in tonnage and in value in 1960 over those of the previous year. There are several iron ore deposits of large tonnage being developed for production in Quebec-Labrador with the first of these—Quebec Cartier Mining Company's eight million ton a year capacity operation in Quebec—expected to begin shipments from Port Cartier in June. Market patterns for iron ore are changing each year, with increasing competition from South American and African iron ores on a price-quality basis. It is of interest to note that shipments to Japan from British Columbia deposits passed the one million tons a year mark for the first time in 1960. The potential market for iron ore in Japan is large, and shipments from western Canada are expected to increase steadily.

The continuing lead and zinc import quotas imposed by the United States government on September 22, 1958 tend to have a restraining influence on the production of these commodities both in Canada and other major producing countries. Canada is well represented on the international lead and zinc study group which held its third meeting at Mexico City from March 20-24. Several major projects to develop substantial deposits of lead-zinc ores are progressing. The government is surveying a railway route from Grimshaw, Alberta, to Pine Point, Northwest Territories, where large lead-zinc deposits await development. Mention has already been made of a railroad nearing completion to the Mattagami lake area of Quebec, where several properties are nearing the production stage. There has also been renewed interest in the deposits in the Bathurst area of New Brunswick. It is hoped that an announcement will soon be made that an electrolytic zinc refinery will be built in Quebec to treat zinc concentrates from mines in eastern Canada.

Since 1953 crude petroleum has been the largest single contributor to Canada's mineral output, with production in 1960 being valued at nearly $433 million. The highlight of this segment of the mineral industry was the recent announcement of the government's national oil policy, which called for oil production to reach 625,000 barrels a day by June, 1961, with an average production of 640,000 barrels a day for the whole year. It appears that average daily production for the first six months of the year will be about 594,000 barrels with a monthly high in May or June of about 640,000 barrels a day.

[Mr. Comtois.]

For comparison, the average daily production in 1960 was 535,000 barrels. I am certain hon. members will agree this is a commendable increase, and it appears that the petroleum industry will reach the government's goal. Proven reserves of petroleum in Canada reached a peak of over 4.2 billion barrels at the end of 1960 despite a record year's production.

In the natural gas industry the highlight of the past year was the approval by government agencies in Canada and United States of large scale exports of natural gas from western Canada to the growing markets of the United States west coast and mid-west. This, of course, precipitated an extensive program of building transmission pipe lines to carry the gas. This, in turn resulted in a considerably increased tempo of activity by manufacturers of steel pipe. Natural gas production in 1960 increased 20.5 per cent over that of 1959 to more than 500 billion cubic feet valued at over $48 million. Despite this record production, proven reserves of natural gas at the end of 1960 had increased over 15 per cent from a year earlier to more than 30 trillion cubic feet.

The combined total value of crude petroleum, natural gas and liquid hydrocarbons showed a growth for 1960 of 5.4 per cent over the 1959 value of production, a most gratifying rate of growth for an industry which is undergoing a rationalization period subsequent to a growth of productive capacity in the 1950's far in excess of the ability of the domestic and export markets to consume. In a world of energy minerals oversupply, both industry and governments will be faced in the 1960's with the necessity of bringing exploration, development, production and conservation programs more in line with market availability and consumption growth.

The situation in respect to that other important energy mineral, coal, is well known. Suffice it to say that the present difficulties the industry is facing are largely the result of competition from petroleum, natural gas, and surplus hydroelectric power. In Nova Scotia, coal's difficulties are compounded by high production costs and the ageing condition of the mines. However, more will be said of this matter when I present the estimates of the dominion coal board.

Uranium registered a 21 per cent drop in both quantity and value compared with 1959. Production in 1960 was valued at nearly $263 million. During the year the industry passed through an intensive period of consolidation through mine closures, transfer of

government sales contracts and company amalgamations. At the end of the year there were only 10 producing uranium mines compared with 23 during the industry's peak period in 1959. There was an intensive research program under way to lower production costs and develop new industrial applications for uranium. My department investigated, and continues to investigate, the use of uranium as an additive agent in the development of higher strength low carbon steels.

Gold production increased slightly to 4.6 million troy ounces valued at $156 million. Some interest in new gold properties was revived owing to the return to near parity of the Canadian dollar in relation to the United States dollar toward the end of the year. The problems that plagued the industry and its dependent communities during the 1950's will continue and increase in intensity as ore reserves become depleted. The government in 1960 extended the Emergency Gold Mining Assistance Act a further three years to the end of 1963.

(Translation):

As for industrial minerals, it is of interest to note that our shipments of asbestos for 1960 are about 10 per cent higher than in 1959, at 140,538 tons, for an estimated value of almost $119 million. Representatives of that industry who visited the U.S.S.R. in 1959 have gathered information according to which that country can now produce as much asbestos as we can. Should the U.S.S.R. production keep on increasing, we would be faced with keen competition on the European market.

Canada is slowly becoming a producer of basic sulphur, a by-product of the natural gas of western Canada, and we presently occupy the fourth rank among countries of the free world which produce sulphur in one form or another. Our daily production capacity will reach 5,770 long tons when two new processing plants are built. In 1960 the electrical titanic ore smelter at Sorel, Quebec, also produced for $300,000 worth of titanic dioxide cinders and for about $11 million worth of remelting iron.

(Text):

I shall not dwell further on developments in the individual mineral fields, but should like to briefly outline some developments of the immediate future. They are quite encouraging. Crude petroleum production is expected to register an average annual increase of about 8 per cent over the next several years. Natural gas production and export will probably register the largest gains of any of the mineral commodities in the years ahead. This year the new nickel producing area at Thompson, Manitoba, will register its first full year's operation which, coupled with increasing nickel demand and the loss of Cuba's potential nickel supply to the United States market, places Canada in an even more dominant position as a major supplier of this vital commodity. Quebec Cartier Mining Company will begin shipments of iron ore concentrates from Port Cartier, Quebec, in 1961. Iron Ore Company of Canada and Wabush Iron Company Limited are also developing concentrating grade iron ore bodies in the Wabush lake area of Labrador.

Further strengthening and broadening of the mineral industry is assured through the development of production of zinc-copper ore bodies in the Mattagami area of Quebec; of asbestos deposits in the Baie Verte region of northern Newfoundland; of tungsten in the Northwest Territories; of iron ore deposits in Labrador, Quebec, Ontario and British Columbia; of oil and gas fields in the western provinces and Yukon territory, and of renewed production from the potash deposits of Saskatchewan, which are the largest and highest grade in the world.

Mining developments in Canada are widespread and diversified. The continuing development of this country's mineral resources is of paramount importance to many other sectors of the Canadian industrial economy. New railroads, towns, docks, pipe lines, processing plants and hydroelectric power plants that are wholly attributable to and dependent upon mining developments have been built. Many service and ancillary operations have been established or enlarged to serve the industry. Much direct and indirect employment results from the continuing development of our mineral resources.

The practice followed over the years by my department of assisting the mineral industry by laboratory research projects in the mines branch has been accelerated during the past two or three years. The projects are carried on at the specific request of companies as well as in line with fundamental research plans directed toward greater development and utilization of Canada's mineral resources.

In this latter connection it is encouraging to note that the major portion of domestic base metal ore production is smelted and refined in Canada. This is a considerable achievement when it is realized that foreign smelting industries, based on countries whose ore reserves are becoming depleted or whose sources of concentrate are uncertain, require large amounts of concentrate to maintain operations. In spite of the demand of foreign smelters for ores and concentrates, over 90 per cent of our copper, over 60 per cent of our nickel and zinc and about 75 per cent of our lead is smelted and refined in Canada and sold in the domestic and export markets in pig or ingot form.

However, this high degree of processing before export does not hold true for iron ore. This is because the high degree of integration of the primary iron and steel industry throughout the world and especially in North America places emphasis on processing iron ore in the importing country. Processing of iron ore into pig iron, then into crude steel and rolling mill products is normally done at the site of an integrated operation, a location which is usually close to a source of fuel and almost always close to highly industrialized centres of large population.

The increasing world supply of minerals and metals, which in some cases amounts to abundance, is bringing about an increasing degree of protectionism in the free world's two largest consuming areas, the United States and Europe. This has been manifested in the United States by restricting imports of lead and zinc by quotas, by open hearings by the United States tariff commission to study the effect of iron ore imports on the domestic industry, and by the introduction in congress of bills to restrict the imports of various other mineral commodities including crude petroleum, fluorspar and tungsten. The development of protectionism in western Europe is evidenced by the formation of trading blocs such as the European common market or E.C.M. and the European free trade association or E.F.T.A. Canada has many competitors for these mineral markets. There is no scarcity of mineral raw materials in the world, and it appears that competition for world markets will become even keener over the next decade.

The phenomenal growth of our mining and smelting industries has resulted from foreign demand for metals in the form of ore, concentrates or virgin metal. The industrial nations of the free world have developed their smelting, refining and manufacturing industries to a high degree. Their need is for mineral raw materials such as ore, concentrate and prime metal rather than in the rolled or more fully processed forms. These countries protect their processing industries by placing tariffs of increasing severity on imports in direct proportion to the amount of processing that has been done on the particular commodity. In the mineral industry minor tariffs are set on imported ores or concentrates, higher tariffs are imposed on metal in ingot or prime forms, and progressively higher tariffs are usually in effect on semi-fabricated and fully manufactured products.

(Translation):

The minerals and the industrial products obtained from minerals are becoming increasingly important for the Canadian export trade. The export value of those products exceeds that of products of any other industry. In 1960, that value, including the manufactured goods of mineral origin, accounted for 41.6 per cent of the total national exports. From 1950 to 1960, the export value of minerals and industrial products obtained from minerals increased by 124 per cent, while the value of the total exports increased by 40 per cent in the same period.

(Text):

From a mineral resources and supply point of view, Canada gives every indication of becoming increasingly important. This country will continue to be a major contributor to the world's mineral requirements. Our mineral resources are ample both to support a much larger industrial output in this country and to provide minerals and primary metals to satisfy any foreseeable demand by countries of the free world. However, to maximize the use of our labour force and to improve our trade balance it will be necessary to enlarge and diversify our secondary manufacturing industries, particularly those based on minerals. To maximize the value of our mineral output it will be necessary to attain the highest possible degree of mineral processing and metal fabrication before export. A first step in moving toward this objective appears to be the growth and further diversification of our secondary manufacturing industries to supply a larger portion of our own domestic requirements for finished products than at present. It will only be through continued close cooperation and consultation among all levels of government with industry that the desired results will be attained to the greatest benefit of our total economy.

(Translation):

I should like now, Mr. Chairman, to say a few words on my departmental estimates and give an outline of some of the projects in progress.

As hon. members will see on page 44 of the blue book, the department is requesting for 1961-62 appropriations to the amount of $44,600,358, an increase of a little over $4 million from the previous year. Salary adjustments account for 40 per cent of that increase and the remainder is mostly due to the development of field work and to the increased cost of these field undertakings, as we are progressing northward. Moreover, we have accepted to carry oceanographic projects in a much more extensive way, and we are assuming the cost of a third expedition, which will be the most elaborate one ever undertaken on the polar continental shelf. In the field as well as in laboratories, we have speeded up research in order to find solutions to the new and urgent problems raised by several aspects of our national development program.

(Text):

In our departmental administration we plan to provide additional services vital to these intensified programs. We will make more use of electronic data processing equipment to handle the countless repetitive computations that are necessarily a part of survey and scientific work. I might add that thanks to our computer programming an increasing number of projects can now be speeded or channelled into promising new avenues of research.

We have also allowed in our administrative vote for the purchase of camp and field equipment and other items commonly used by our branches. These have been pooled in one central vote to simplify their purchase, handling and maintenance and thereby effect savings in costs. In our mineral resources division more funds are needed for the publication of reports. During the fiscal year its officers will be engaged in a number of valuable fact-gathering projects and will take part in several conferences of utmost concern to our mineral industry.

For the surveys and mapping branch, Mr. Chairman, we are asking $19,047,454. This is to carry forward an intense survey program calling for geodetic work in almost every province and the territories, topographical surveys aimed at completing the initial medium scale map coverage of Canada by 1966, and hydrographic charting and related projects involving large segments of our coastal and inland waterways.

Time does not permit further analysis of the branch's current field projects, but I should mention that a number of parties will be working in the Yukon, the district of Mackenzie and the Arctic islands, and the cost of fielding personnel in northern or remote regions is necessarily high.

Let me stress, however, that our technical men are constantly testing, developing and making use of new instruments and methods that will do much to speed the work and, in the long run, will bring about considerable savings. At this point I am pleased to announce that the surveys and mapping branch has completed the move to its new building on Booth street and has the additional space and improved facilities it so badly needs. The official opening will probably take place early next year, at which time I will be pleased to welcome my honourable colleagues. With the addition of this new building our Booth street science centre, if I may call it such, is now virtually complete, but the estimates provide for a number of equipment items which could not be purchased until the buildings were ready.

This brings me to our oceanographic polar continental shelf programs, and here I repeat what I have said on a number of occasions. These are projects of far-reaching significance, affecting our economic and scientific progress and, to some extent, our national sovereignty.

The 1961-62 estimates call for a program of ship construction including the C.G.S. *Hudson* which will be, in essence, a floating laboratory for hydrographic and oceanographic research; and for the replacement of three vessels of the Canadian hydrographic service. It is our hope that the *Hudson* will be commissioned next year. I am pleased to report that construction of the Bedford institute of oceanography near Halifax is going ahead on schedule. The docking facilities and depot will be in operation by September, and the laboratory building will probably be ready by July of next year. When fully staffed the institute will have a working force of 300 oceanographers, hydrographers, marine biologists, submarine geologists and other specialists. I should add, however, that people trained in these fields are very scarce, and we are conducting a vigorous recruiting and training program in conjunction with three universities and various federal agencies.

This summer we will be undertaking a broad oceanographic survey of Hudson bay with special emphasis on submarine geology, bottom sampling and photography, gravity, magnetic and seismic measurements and other related scientific observations. In the polar basin 70 men, supported by three fixed wing aircraft, four helicopters and 700 tons of equipment are working on the polar icecap over a large area of the polar continental shelf. They are conducting investigations in submarine geology, seismology, gravity, magnetism, geography, hydrography and other fields. In these projects we have drawn on the experience and knowledge of men in all corners of our department and from other federal agencies and Canadian universities. Our oceanographic program is co-ordinated and planned by the Canadian committee on oceanography under the chairmanship of our director general of scientific services.

Mr. Chairman, I do not think I need dwell on the importance of this work, beyond saying that in our oceanographic and polar projects we are laying the foundation for the development of our resources in these relatively unknown areas; we are paving the way for transportation and travel in Arctic waterways, both below and on the surface; and we are gathering information essential to the defence of this country. We are also making an important contribution to the progress of science.

The 1961-62 estimates also reflect the intensified task of the geological survey of Canada, which this year is sending to the field the largest work force of its 119 year history. One hundred and two parties—a total

of 400 geologists, technical officers and supporting staff—will be spotted in all 10 provinces and the territories. They will work in all physiographic regions and in all types of terrain. Some, as in the case of the Hudson bay project in submarine geology, will even work over water.

For the geological survey, Mr. Chairman, we have requested $5,303,834. Specifically, it will provide for major reconnaissance surveys requiring the using of Piper Cubs and helicopters over the district of Franklin, the Yukon, British Columbia, Alberta, Quebec and Labrador. It calls for geochemical studies in the Northwest Territories, Alberta, and New Brunswick and Nova Scotia and seismic, magnetic and palaeomagnetic observations in many places. Ground water surveys will be carried out in seven of our 10 provinces, with special emphasis on the prairies where homes, factories and farms are dependent on underground water. We have been urged to intensify our program in this field and are making every effort to do so as trained men become available.

My department will also be fulfilling its commitments under the roads to resources program, and will send five geological field parties to northwestern Ontario at a cost of $101,800 of which $23,000 will be for the charter of aircraft. We also have made provision for a series of aeromagnetic surveys over large parts of the Canadian shield, the beginning of a 12 year project which we are undertaking in co-operation with the provinces. When completed it will cost $18 million, two thirds of which is to be paid by the federal government.

I might also mention operation Leaf river, calling for the mapping of large pre-Cambrian areas in northern Quebec, and operation Ogilvie involving about 15,000 square miles of mountainous terrain in central Yukon. It is interesting to note that by the end of the 1962 field season we will have mapped on a reconnaissance scale all sedimentary formations of our northern areas, which are conducive to the occurrence of oil.

Mr. Chairman, an expanding field program of this kind, imposes a great responsibility on the laboratory staff, who must not only conduct many types of supporting investigations and analyses, but who must develop new techniques and tools that will further the work both in the field and at home. Accordingly—and the estimates reflect this—the survey is gearing itself to meet a sharp rise in the demand for rock and mineral analyses, X-ray identifications and other laboratory research and services. It has asked for several highly specialized pieces of equipment including the apparatus required for radiocarbon dating. This will be used for determining the ages of deposits not more than 35,000 years old by measuring the carbon-14 content of organic remains. I might add that the survey's radio-carbon laboratory will also be of service to archaeologists in their study of prehistoric cultures here in Canada. This is a good example of how progress in one discipline can benefit another.

To finance the work of the mines branch we have asked for $4,808,095, a sum that can be regarded as a good investment in the future growth of our mineral industry, for although Canada has been endowed with a handsome share of mineral deposits, comparatively few of these can be regarded as high grade and many of them are difficult to process. Developing commercially feasible techniques by which these can be made marketable is a research problem of major proportions. At the same time other nations of the world are giving our traditional mineral products strong competition, and it is essential that we explore every avenue by which present processing costs can be reduced; and we must find new uses for those minerals of which we have an overabundance.

You will not expect me, Mr. Chairman, to explain all the projects under way in the mines branch. In the physical metallurgy division alone there are over 100. But I should like to be specific about one or two.

Our work on uranium we regard as a matter of utmost urgency. We are seeking to improve the extraction processes currently in use at uranium mining camps, and we are seeking new non-atomic uses for the metal. As I announced last December, we have had promising success with uranium as an alloying element in commercial steels. Uranium can be added at very little cost and will bring about improvements in corrosion resistance, fatigue strength and behaviour at high temperatures. The branch is also experimenting with additions of uranium to non-ferrous metals such as copper, aluminum, zinc and lead and, while much work remains, I can at least say that results so far have been encouraging. It is my hope that these projects will lead to a better market for Canadian uranium.

The mines branch is stepping up its work on iron ores, investigating the possibilities offered by direct reduction and other processes. Our scientists are also seeking means of beneficiating Canadian niobium and manganese ores, of which we have large low grade deposits, and they are investigating a great variety of metallic and non-metallic materials. In one way or another the branch is dealing with just about every known mineral commodity.

(Translation):

Concerned with the distress of the maritime coal mines, our mines branch undertook a whole series of projects aimed at finding new outlets for coal. The fuel division has developed a specially designed power fire-grate for the economic use of maritime coal. According to our estimates, those works should continue in 1961-62. We intend also to provide money for an analysis of the problems involved in underground stresses. This is of course a long term program for certain Canadian mines. I hope that it will result in safer and more effective mining practices.

Mr. Chairman, time does not permit me to go into those matters at more length. But I think I have said enough about those projects to give you an idea of their worth. Many of them are of the utmost importance for the mining industry and many are long-term programs. But the common purpose there is to place our country in a better position, through technological advance, to develop its mineral resources.

(Text):

The geographical branch of my department is also making important contributions to our progress. In the fiscal year 1961-62 it will continue its land use surveys which provide what I might describe as a blueprint for agricultural planning, forestry and many other projects related to the effective use of our land and our resources. The branch will continue its ice studies, its terrain analyses and will update and revise portions of the now famous atlas of Canada. The current estimates provide $500,626 for the geographical branch including the administration of the Canadian board on geographical names.

Regarding the board I should like to make one observation. The Canadian board on geographical names serves as a federal-provincial authority in the naming of geographical and other features of this country. I believe, however, that too little is known of its work, and that it is not consulted often enough in these matters. A town, a lake or a mountain may look the same regardless of what we decide to call it. But many of our geographical names are both childish and inappropriate; others lead to confusion and misunderstanding. I believe that a little education and publicity in the right direction would prevent many an eyesore in nomenclature on our maps.

In our estimates we have provided $2,428,838 for the dominion observatory which is engaged in what is undoubtedly the most far-reaching program of its distinguished history. Less than a year ago I had the pleasure of opening the observatory's radio telescope near Penticton, and I can now report that its performance in the observation of hydrogen clouds has exceeded all expectations. Meanwhile the branch will soon bring into operation at Victoria, B.C. a new 48-inch telescope for complex investigations of the physical nature of stars and the interstellar gases. The building to house it has been completed and the instrument will probbably go into action sometime in November.

Getting back to earth, the observatories will carry out an extended gravity survey over Baffin island—a project of importance to national defence—and others over northern Quebec and Newfoundland, Nova Scotia, New Brunswick and the prairie provinces. As part of its studies of the earth's magnetism the branch will continue its ground observations and will conduct a series of aeromagnetic flights over the Arctic islands and large areas of the Arctic ocean. Continuous records of magnetic variations will be provided from stations in the Northwest Territories, British Columbia, Alberta and Ontario.

In the field of seismology the branch will record earthquakes from its eleven stations stretching from Halifax to Victoria and will make special observations for the department's polar continental shelf project. The current estimates provide for building new seismic and magnetic observatories and the enlargement of the present seismic vault at Ottawa.

(Translation):

Mr. Chairman, I have just outlined only a few of the projects undertaken by the Department of Mines and Technical Surveys. Besides, I could not, in such a brief period, give our research workers and technicians the credit they deserve for their valuable help to the development of our country and for their well-known achievements. Surely, Mr. Chairman, I have said enough to bring out the essential part those people are playing toward a continued development of Canada and to indicate that in the near future, new and very promising avenues of research will be open to us all.

Mr. Dumas: Mr. Chairman, I should like, first of all, to congratulate the Minister of Mines and Technical Surveys (Mr. Comtois) for the fine statement he made on the activities of his department. At this point, I feel there is no need for extensive remarks and therefore, I shall only make general comments. Later on, we shall have every opportunity to put questions to the minister on the various items as they are called.

Mr. Chairman, the minister dealt briefly with the coal industry and he mentioned that he would have a certain statement to make when the items relating to the dominion coal board are under discussion.

Mr. Comtois: Mr. Chairman, allow me to say a few words on this matter, since the hon. member for Villeneuve (Mr. Dumas) just mentioned it. It was agreed, I believe, with those who are usually called upon to deal with the coal question, when my departmental estimates are under consideration—and I conferred with a few of them—

(Text):

Mr. Chairman, I think the committee should delay any discussion on coal until we reach the item of the dominion coal board.

(Translation):

Mr. Dumas: Mr. Chairman, we entirely agree with the minister as far as procedure is concerned and, as I understand it, it is agreed that we shall take up items 202 to 228 first. I understand that when items 229 and following are called, particularly item 229, those who wish to deal with the coal industry more specifically may then do so.

(Text):

Mr. Comtois: Mr. Chairman, I will have another statement to make when we arrive at this item.

(Translation):

Mr. Dumas: In this way, we are proving that we are ready to co-operate as far as possible, and that we have no intention of delaying the votes which are necessary to the good administration of the department.

Mr. Chairman, all members recognize the importance of the Department of Mines and Technical Surveys, and the influence it can have in terms of the prospecting, exploration and development of the vast mineral resources which are to be found in the Canadian underground.

It is gratifying to note that many members take a particular interest in basic and applied research that is continually being carried out in the different laboratories of the department. Others are also interested in the various geological, topographical and hydrographic surveys and other types of surveys carried out each year in different parts of the country. Finally, there are those in this house who represent constituencies where mining industries prevail, and who consider this department as an essential government service for the development of our country's economy, for the development of their own areas and for the welfare of the people.

We all agree that the Department of Mines and Technical Surveys has done excellent work in years past. We feel that the department should push even further its research activities in the fields of geology and geography as well as its geodetic, topographical, hydrographic and oceanographical surveys. We realize also that the various branches of the department must have the most modern equipment and, of still greater importance, that the minister must have at his disposal the best qualified scientists.

It is obvious that to reach the goals I have just mentioned, we shall have to give more and more importance to that department and to put at its disposal the funds it may need.

It is imperative for the economic growth of Canada that nothing be neglected or done in a haphazard way when the development of our natural resources is involved.

The minister mentioned some of this department's estimates and he hastily added that all those expenditures are good investments. I agree wholeheartedly with that statement and I would be remiss if I did not say a good word here concerning the civil servants who are responsible for properly achieving the work entrusted to them.

Mr. Chairman, this country is fortunate that the various branches of this department are staffed with very capable scientists and highly qualified professional men who are devoted and conscientious employees. They deserve our gratitude and congratulations.

Last year, the year before last and three years ago, I think I mentioned that unfortunately when discussing the estimates of mines and technical surveys we had no complete report of the department's activities during the year just ended. I must make a similar remark this year. However, I should like to point out that in 1960 and early 1961, the information branch of the department published a series of memorandums, pamphlets and reports on the activities of some branches, and I extend my congratulations to the people who have prepared those reports or pamphlets.

If my colleagues in the committee have seen memorandum No. 49 which contains a preliminary study of the situation in the mining industry in 1960—I think a similar study was made in 1959 and maybe also in previous years—they certainly found there extremely useful information. Moreover, when one reads it, one finds that the various chapters have been prepared by specialists with the Department of Mines and Technical Surveys. We find there immensely useful information which can represent a basic knowledge for

those who want to take a more active interest in the mining industry.

In order to realize fully the importance of our mining industry and the influence it may have on this country's economy, we only have to look up the relevant statistics to see how rapidly it has progressed, more particularly since the last world war. Besides, that progress was mentioned by the minister in his speech.

The total value of Canada's mining production has risen from $503 million in 1946 to $2,085 million in 1956, an increase of over 300 per cent in ten years or, in other terms, an average annual increase of 15 per cent for that period.

During the last four years, the annual increase has been somewhat slower.

Nevertheless, in 1960, the total value of our mining production amounted to $2,480 million, as the minister said earlier—I had here $476 million, but those figures are revised from time to time—anyhow, $2,480 million, which means an increase of 2.7 per cent over 1959. From 1956 to 1960, the average annual increase has been about 4 per cent.

The total value of the metallic minerals production rose from $1,371 million in 1959 to $1,404 million, or so, in 1960.

The total value of our nickel production for 1960 increased by $55.7 million, a new high; copper production went up $31.2 million for the same period.

In 1960, the production of uranium registered a drop in value of nearly $33 million, and the iron ore production, a drop of $21 million.

While in 1960, the total value of mining production in Canada reached a new high, the annual average rate of increase during the last four years was considerably lower than for the years 1946 to 1956. That slowing down had a somewhat cooling effect on various sections of the industry.

It is also generally admitted—and the minister said a few words on the matter—that 1960 was a rather difficult year for our mining industry, a year during which Canadian producers have been forced to make a most judicious and careful review of anything connected directly or indirectly with this industry.

Competition on the world markets is still very sharp. We still find it very difficult to keep our cost prices in line with those of several other ore producing countries, where the wage scale and production costs are only a fraction of our own.

Moreover, Mr. Chairman, the United States is still our best customer. However, they are not without causing us some difficulties, because the entry into that country of some mining products, such as lead and zinc, is still subject to a quota system, and that is a source of trouble for Canadian producers of those metals.

Protectionist tendencies in some states south of the border are always cropping up. That is, at present, a serious problem which our producers must face. Naturally, time cures many evils, and the day will come when our American friends will realize that the sacrifices they have to make to protect a dwindling industry which cannot meet their own needs any more are too onerous, and then, necessarily, they will have to come back to better sentiments. Meanwhile, the problem remains and it must be taken into account.

Our uranium industry is facing a difficult situation. The minister referred to it. It is far from having found a solution to its problems.

However, we must not look only at the dark side. That industry will certainly be faced with great difficulties in the next decade, but we hope it will get over the hump when new uses are found for its products.

Steel production was slow last year in the United States, and naturally this has affected iron ore producers. There now seems to be an upswing in that industry. There is no doubt that if such an upswing is really felt, it will benefit our iron ore industry.

All those problems, Mr. Chairman, are of course a cause for concern to those interested in the mining industry. However, the picture of that industry is not entirely dark. Personally, I think the mining industry, despite its many current difficulties, will eventually find a way out, and in the not too distant future will enjoy even greater prosperity than in the years 1946 to 1956. The proof of that, Mr. Chairman, is that even this year when the industry is faced with difficulties, we find that its leaders are optimistic and are planning capital expenditures of over one billion dollars in 1961.

The minister has dealt with this subject, and I need not say more. Those capital expenditures will be spread out across the country, including particularly British Columbia, where the industry is enjoying great activity. Indeed, a market has been found for its copper and iron ore in Japan a country which is friendly to Canada.

In western Canada, the oil industry is also very active. We are also optimistic for that area. Unless impossible restrictions are applied by our neighbours to the south, we really expect, that Alberta and Saskatchewan will enjoy very prosperous years thanks to their oil.

In Ontario and Quebec, and I might add Newfoundland with regard to the base metal industries, the iron mining industries will continue their progress unless, again, restrictions are applied.

That is why I say, Mr. Chairman, that the outlook in the mining industry is not wholly dark.

Consumption of metals is rising steadily. In the U.S., we have a market which, in the next 25 years, will be able to absorb the many kinds of metals we will be producing, in quantities even larger than we probably can supply.

The future prospects of the Canadian mining industry are therefore good, indeed excellent.

According to an old saying:

God helps those who help themselves.

The industry itself has responsibilities. Labour organizations have responsibilities. Federal and provincial governments also have responsibilities.

Altogether they must give the impulse required for the growth of this most important Canadian mining industry.

If you allow me, Mr. Chairman, I should now like to say a few words about our gold mining industry.

Even though the output of our gold mines increased somewhat during 1960, this industry is becoming increasingly unsteady.

It is true that during the past year, our gold mines have benefited from the amendments to the Emergency Gold Mining Assistance Act, and also, of late, from a lower premium on the Canadian dollar. Nevertheless, many things are hidden under these improvements, for the gold mining industry is now going through a difficult period.

Last year, three more mines had to close down, although it is true that a new mine was put into operation. None the less, Mr. Chairman, we believe that in 1961 and in 1962, several gold mines will be compelled to close down, unless there is a radical change in the sale price of that metal.

Under the Emergency Gold Mining Assistance Act, which came into effect in 1948, the Canadian government has greatly contributed towards this industry. We have to admit that were it not for that legislation, very few gold mines would still be operating today.

However, this form of assistance to our gold mines is not adequate today. It maintains mines in operation, and that is a very important factor, but we must bring further help to this industry. For the survival of certain municipalities, which otherwise would become ghost towns, depends on the sustained development of certain mines.

This kind of help, however, does not meet all the requirements, unless the government has decided to abandon this industry, and this, Mr. Chairman, I do not believe it has.

Something will have to be done to rehabilitate this industry because it is essential to Canada's economic development.

In the past, it has been essential to the great development we have experienced. During the difficult 30's, the gold mining industry played a vital role.

And then too, this industry has been responsible for much of the discovery of base metal mines which are now in operation all across the country, and because of which our mining output value now reaches the fabulous amount of $2.5 billion.

During the last war, its role was of such importance that the Canadian government urged the industry's leaders to boost their production.

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

Mr. Dumas: Certainly.

Mr. Comtois: Since the hon. member is talking about gold mines, could he tell us if our gold production is found to fall off, if our gold reserves and our gold potential are on the decline, what he would suggest as a remedy?

Mr. Dumas: If the hon. minister would wait for a few moments, I will offer suggestions. I may not give very explicit directives, this being a very difficult problem, but I could make suggestions to him.

We have experienced difficulties in the past, and the former government introduced the gold mining assistance act that this government has continued to apply and has even amended.

This act is certainly beneficial to the gold mining industry.

However, I suggest this is not enough, since the only purpose of the application of this act is to keep in operation certain mines which, of course, are the livelihood of a great many people who live in the municipalities where gold mining is the sole industry.

This industry then is proving most useful. The law, however, does not for instance, encourage prospectors to go out into mining areas in an effort to discover gold deposits. That is the point I want to make.

If our mines get depleted, as is indeed the case, the first thing we will know is that we will no longer have a gold mining industry, even if the Emergency Gold Mining Assistance Act is still in force.

I think therefore I am right in saying that the government should take the necessary steps to bring effective help to gold mines. Later on, during my speech, I hope to say a few words about that matter.

Mr. Chairman, if there has been such big developments in our mining industry these last 30 years, it was due largely to our gold mining industry. Today our country is experiencing difficulties. We should recognize that our economy has slowed down. We have to find jobs for hundreds of thousands of workers who would like nothing better than to be able to do their daily share in order to put our country back again on the high road to prosperity.

Mr. Chairman, some time ago our southern neighbours, who have more gold in their coffers than we might ever possess, quietly decided to subsidize gold mining prospection. And on this subject, I should like to read an excerpt taken from the *Financial Post* for April 15, 1961. I shall read it in the original, that is to say in English:

(Text):

U.S. Offering Half of Exploration for Gold Finds
The United States government will pay up to half of exploration costs in finding a gold mine.

In a move to help its mining industry, the United States department of interior is broadening its exploration assistance program to include precious metals gold and silver.

Previously, it restricted its aid to minerals now vital to industry.

The United States is also willing to pay part of the cost of finding iron ore in the United States as well as bismuth, sulphur and tellurium. And it is increasing the maximum share it will pay to 75 per cent of exploration cost for asbestos, beryllium, chromite and mica discoveries.

We have often heard it said that the United States is not interested in gold, although that country is willing to keep on buying the metal at $35 an ounce. However, Mr. Chairman, you can see from this article, which appeared in a very responsible paper—and it has been checked—that the United States is willing now under the Kennedy administration to pay 50 per cent of the exploration costs to find gold mines in that country.

Of course, Mr. Chairman, the present position of the Canadian gold mining industry and the chief trends which are now affecting the industry are of major concern to the principal gold producing provinces of Ontario, Quebec, British Columbia, Manitoba, the Yukon territory and the Northwest Territories; but in a more general way the survival of an industry which has played so great a part in opening up northern Canada and in building up our national economy surely must be a matter of interest and concern to all Canadians and to all Canadian provinces whether or not they are major gold producers. For many years now, little or no exploration has been carried on—

The Acting Chairman (Mr. Fortin): Order, I regret to interrupt the hon. member, but his time has expired, unless he has the unanimous consent of the committee to continue his remarks.

Some hon. Members: Agreed.

Mr. Dumas: I wish to thank the committee for its kindness, and I shall take only a few minutes more.

As I said, for many years now little or no exploration has been carried on in the development of new gold mines in Canada. It must be remembered, Mr. Chairman, that gold mines like any other mines are a wasting asset. Because of increasing costs much ore has of necessity been discarded as waste rock. Furthermore, as present ore reserves are exhausted and with no new producers being developed, Canadian gold production is declining and will continue to decline more rapidly in the near future unless we do something about it. In the face of the evidence it is not an exaggerated conclusion to state that Canada is in grave danger of losing her gold mining industry.

It is my firm belief that a broad revival in the search for new gold mines could be the key that will continue to uncover our latent mineral resources, not only of gold but of numerous other metals. There is no doubt that greatly increased exploration activity generated through a renewed search

for gold would more than duplicate the great successes of the past.

I should like to mention here the past records of our Canadian gold mining industry. The number of ounces of gold mined in Canada as of the end of 1960 totals 157,383,670. The total value of this production to the end of that year stood at $4.964 billion. We certainly must have topped the $5 billion mark by now. This is a record which outstrips by a considerable margin that of any other metal produced in this country, the next being copper with an aggregate of about $3.47 billion and nickel with an aggregate of approximately $3.46 billion.

Of the $5 billion earned through the production of this precious metal by our Canadian gold mines during the past 100 years, the best part was paid out in wages, materials and services. Some was paid in dividends. I am proud to say that Canadian gold mines must have paid close to $1 billion in dividends, and also plowed back more than $1 billion into the industry. In addition, Mr. Chairman, in producing gold to the value of over $5 billion our gold mining industry has spearheaded the development of northern Canada and the discovery of our huge and varied treasure chest of mineral resources, the value of which has been estimated at $2.5 billion for the year 1960 alone.

Before I conclude my remarks I should like to quote two or three short paragraphs from an address made last winter by Mr. V. C. Wansbrough, vice president and managing director of the Canadian Metal Mining Association, to the Prospectors and Developers Association at their meeting in Toronto. It is entitled, "One Hundred Years of Gold Mining in Canada", and I quote in part as follows:

> Gold and problems related to gold have been more in the public eye and the public mind of recent months than at any time during the last 25 years. The drain of gold away from the United States treasury has given enough concern to cause the Eisenhower administration to take drastic steps, which the Kennedy administration has followed up by further measures, to protect the integrity of the United States dollar and stem the outflow of gold.
>
> As part of the pattern we saw the sudden and dramatic flare-up of the gold price last October on the free gold markets of Zurich, London and Toronto, reaching at one point a peak of $41 an ounce. I mention this only in passing as an indication of current interest.

That is true. Mr. Wansbrough further said:

> For our purpose it is enough to say that interest in gold is greater than we have known for years. We cannot foresee with any assurance what the future will bring. But we can salute the wonderful record of Canada's gold mining industry upon its centennial.

I come now to my final words. I really believe that something should be done for the gold mining industry. I think the Canadian government should study most seriously the feasibility of increasing the price of gold. I mentioned that matter when the previous administration was in power, I mentioned it two years ago and I am proud to be here today to mention it again. I know there are certain difficulties, but if the government should increase the price of gold to $42 or $44 an ounce, let us say, it would be understood, of course, that this would be only for Canadian gold produced by Canadian gold mines. The government might have to spend a large amount of money to do this. However, if the government were to take such action it could be restricted to a certain number of years.

I am convinced that if something like that is done we will see the greatest rush in northern Canada that we have ever had, and not only in my own province. We do not produce the most gold. The province of Ontario produces the greatest quantity of gold. If this action is taken you will see activity across the country in the northern parts of the provinces, and the Northwest Territories and in the Yukon, with the possible exception of the maritimes. People will be looking for gold. Money will be spent, employment will be provided, materials will be bought, ore will be found, mines will be built and employment will be provided for all those who would like to work.

I will tell the minister why. In the extensive search for this precious metal, all kinds of base metals would also be discovered. The minister has said there is a surplus of certain metals at the present time, but let me tell him that 25 years from now there will be no surplus. Consumption is increasing all the time, and when that day comes our neighbours to the south in particular will be glad to buy their base metals in this country, because they will be short of all of them in their own country. I am not trying to give an order to the government, but am simply telling them that they should study the feasibility of increasing the price of gold. If the government do so there may be a chance of their great vision coming true.

Mr. Peters: Mr. Chairman, in discussing the estimates of the Department of Mines and Technical Surveys again we would like to

say that we are very pleased with the report the minister made this morning. His experience in the department has greatly increased his knowledge of the problems of mining, and in the light of this knowledge I am quite sure that much better service can be provided to the industry than has been the case in the past.

I was interested in the comments of the minister relating to our mineral reserves and the benefit these have brought and will bring to the Canadian people. Before making my general remarks I wish to ask the minister a few questions relating to my own area.

In Kirkland Lake, Dane and Cochrane we have large iron ore deposits. The potentiality and the grade have been proven. We have allowed large United States companies to obtain vast limits but have made no stipulation concerning the amount of development they must undertake. They do no more than is done by small local companies. To my knowledge no shaft or open pit mining is done in these areas at this time.

Much interest has been expressed in the developments taking place at Timagami. If United States companies are involved there, nothing more will take place in terms of development than occurred in the Dane and Cochrane areas. We should impose some stipulations on these companies. Where they have undertaken initial development and have proved the reserve and the grade of ore we should require that they undertake further developments leading to mining operations. The people in the local areas affected are plagued by the fact that large United States companies, particularly steel companies, have control of the claims and the industry and have no intention of developing the proven reserves.

I understand that we are holding in Canada large reserves of cobalt ore on which storage and handling charges are paid. I am curious to know why we store ore under this arrangement, and what is going to be done about it. I am also curious about the relationship between the government and Deloro Smelting and Refining Company Limited. Why have not contracts been pursued by the government in relation to this valuable metal, cobalt? In the event of an emergency such as arose during the last war reserves of this ore will be difficult to assess and develop unless we give leadership to the industry at this time.

I agree with the previous speaker that the gold mining industry is confronted with difficult problems which must be solved. I represent two important gold mining areas, Kirkland Lake and Matachewan. The government should do more for the gold mining industry than is presently done under the Emergency Gold Mining Assistance Act. The assistance given under the act serves a good purpose in enabling some producers to continue operations, but it really only serves to postpone the day when these mines will have to close down. The end has already come for some operators in Matachewan. Each year in Kirkland Lake one or two gold mines close down, and the situation is not improving. Very few new mines are being developed. The future of the industry in that area hangs in the balance.

I do not know why gold has always been the carrot, as it were, that has been held out to the mining industry. An examination of the history of mining on this continent reveals that the initial impetus always resulted from the discovery and development of gold reserves. This appears to be true of northern Ontario, the Yukon, California and other places where rushes have taken place. If the gold mining industry today were to receive the required assistance, it might very well serve as an impetus to development which would be reflected in the entire mining industry in Canada.

Mr. Chairman, may I call it one o'clock?

At one o'clock the committee took recess.

AFTER RECESS

The committee resumed at 2.30 p.m.

Mr. Peters: Before the lunch hour, Mr. Chairman, I was making a plea for some consideration for the gold mining industry. As I left the chamber one of the members asked me whether I was making a pitch for the re-establishment of gold as the basis for our currency. This is not my desire. However, I believe there is a relationship between gold and the price that is paid for gold and our Canadian currency. I should just like to read a short paragraph from a publication put out by the Canadian Metal Mining Association entitled "Why Mine Gold?" In a paragraph entitled "Gold in Canada's Money System" they say this:

> It requires a little probing below the surface to discover what role gold now plays in Canada's money system.
>
> When the Bank of Canada began operations in 1935, it became the sole holder of the country's gold reserves. The gold reserves, held up to that time by the chartered banks, were turned over to the Bank of Canada.
>
> For the next few years the Bank of Canada was required by law to keep in its vaults an amount of gold equal to 25 per cent of its total liabilities in notes and deposits.
>
> The war brought a change. In April 1940 the exchange fund order was passed; under it the gold

reserves of the Bank of Canada were transferred to the foreign exchange control board, and the 25 per cent stipulation was suspended.

This situation, brought about by the financial emergencies of the war, remains unchanged. There is no law currently in effect in Canada which calls for a percentage gold backing for our currency. The link between the Canadian dollar and gold is no longer direct.

Nevertheless the link is there. First, Canada, by subscribing to the Bretton Woods agreements, became a member of the international monetary fund, through which all currencies of member countries are related to gold. And secondly, in July 1946, the Canadian dollar was pegged at parity with the United States dollar, which in turn is very definitely linked to gold.

I am not suggesting that on the estimates of the Minister of Mines and Technical Surveys we should discuss these financial arrangements with respect to our country's currency. However, as the Canadian Metal Mining Association states, I believe there is some relationship and that the relationship, if it is desirable, would or should tend to direct consideration to the inflation that has taken place over the years in that industry so that the industry can continue to expand.

I think there are a few people in the chamber this afternoon who will agree with the statement that gold mining throughout the history of our nation has always supplied more than a small share of impetus to the development of new areas and new communities. These communities and areas that are dependent on the gold mining industry are now in a serious plight. It has become obvious to many of us, particularly those who represent areas that depend on mining, that the gold mining industry is a good example of what can happen but should not happen to an industry over which the government maintains such extensive control.

I think of municipalities like Matachewan. I have here a publication entitled "The Gold Mining Community", a study of the problems of economic growth in northern Ontario, put out by William Lougheed Associates, consulting economists, Toronto. They use as one of their examples the township of Matachewan. At page 21 of their brief they say this:

Matachewan lies about 30 miles southwest of Kirkland Lake and 50 miles southeast of Timmins. The community was launched on the wave of gold expansion in the thirties, experienced its greatest growth in the latter part of that decade, was incorporated in 1947, and has been hard hit by the gold slump of the last few years.

At one time the township had a population of two thousand, when the Young-Davidson and Matachewan Consolidated gold mines were operating. These closed between 1954 and 1956, and at the present time only Min-Ore Mines is operating.

This mine is also now closed, Mr. Chairman.

Population has decreased since the early war years by over one half, is now about 800. A quarter of Matachewan's 300-odd dwellings are unoccupied, and pressure of costs on marginal mining operations has made the municipality exceedingly poor in comparison to its condition before the war.

An estimated 25 per cent of the population remains tied to the remnants of gold mining, and an effort is being made to develop forest industries and tourism to take its place.

I think this is an example of a small town entirely dependent on gold. This is also true and will apply in the next few years to Kirkland Lake, Timmins and many of the other communities that have only gold mining as their principal industry. I think some consideration should be given to increasing the price the mines receive for their product. This industry is and will continue to be, as it has always been, a large importer of United States dollars to Canada, something which is of greater benefit at some times than at others but which at all times is advantageous. I think this industry should be given some further assistance, whether under the Department of Mines and Technical Surveys or some other branch of government that is designated to see that the future is brighter for this industry.

Canada needs the gold mining industry, and the communities which depend on it need the gold mining industry. But it will only grow if there is an increase in the return to the mines which will allow for the development of other areas. This will be spearheaded, and has always been spearheaded, by the prospecting and boom that take place following the discovery of gold in an area. Little prospecting is possible at the present time because of the price of gold. I think this is a matter of grave concern and should be given very serious consideration by the government.

I should like to ask a number of questions about the uranium industry. We have learned some very interesting things about this industry in the last few weeks. I am very anxious to read the conclusions which will be arrived at by the research committee of the house when they report on their deliberations. For this reason perhaps I should not go into the particulars of this situation. However, it seems to me that the charges made some time ago by some of the miners in Elliot Lake have substance. They feared that something was happening in the industry which was allowing Rio Tinto enterprises, in particular, to obtain a monopoly in that area. Of course some of the things we have heard in this house in the last few weeks would indicate that this is true.

It seems doubly surprising that the Leader of the Opposition should not be involved in this matter, because his area in particular is hard hit by this situation and any encouragement that can be held out to the miners and

mining community of Elliot Lake is something to which he should give very close attention. I am sure he is doing this. How bad the situation is can be understood fairly easily by looking at the number of mortgages that are being turned in by the home owners of Elliot Lake. On January 24 of this year the Leader of the Opposition asked a question of the Minister of Public Works on this matter and the minister replied, as reported at page 1348 of *Hansard*:

The mortgages relating to 264 N.H.A. houses are currently in default and the approved lenders have advised C.M.H.C. of their intention to claim on the mortgage insurance fund. Two hundred and forty of the houses with mortgages in default are owned by the housing companies sponsored by the mines and have been acquired as a result of buy-back agreements between the housing companies and the mine employees who have left Elliot Lake. These houses are vacant. The remaining 24 mortgages in default relate to houses owned by individual home owners.

This interests me particularly because of the fact that many of my friends, men with whom I worked in the mines and who were neighbours and close acquaintances of mine, went into the Elliot Lake area and bought homes on the understanding that the enthusiasm of the provincial and federal governments and their agencies would mean there would be a continuous uranium operation for many years to come.

We need not go into the details of what happened, but it is surprising to me that an agreement which the Minister of Trade and Commerce called a firm commitment was made as far back as 1957, before the present government came into power. I am quite sure that if this is true, it is also true that the present president of Rio Tinto corporation was aware of that fact, though he may argue that he was not. I think this is not something which would escape his attention. I am referring, of course, to the new contracts which, if realized, will mean some 24 million pounds of uranium will be sold to Great Britain.

It seems to me that there is substance in the charges which were being made at the time the Rio Tinto corporation was trying to buy some of the smaller companies. They were making the case with Eldorado that they should be the only ones left in this field, because by enlarging their operations they would be able to operate at a much lower cost. They were saying this should be approved by Eldorado and they should have the sales contracts that were in existence. I think the provincial and federal governments were not fair. I say these governments were not fair because they knew about this and did not tell the miners and the women who came to Ottawa, and others, that the potential was going to increase after a certain period of time with the opportunity of operating the mines because of these large sales. If I remember, the whole operation was considered in relation to sales to the United Sales and the fact that these contracts would be concluded in 1964, and it looked as though there would be no uranium industry at all after 1964. I would say that very few of the miners would agree with this had they known there was a possibility of a sale of 24 million pounds of uranium with the consequent employment which would be created.

No doubt other hon. members will have more to say about this. I just want to say that I think it is a disgrace that people are not told these things. When they are living in a community like Elliot Lake, where their very jobs depend upon the mines; when they have invested $2,000, $3,000 or $4,000 in homes after having worked for many years to save this money, which they are going to lose, all governments and all politicians should refrain from playing politics with this kind of information. It should be made available so that each and every miner and householder in the community can make his decision whether to stay in Elliot Lake or go somewhere else.

Complete information on this matter seems to have been available not only to the Leader of the Opposition but to the government and the former minister of trade and commerce. now the Minister of Veterans Affairs. Some hon. members were not fair to those people who were faced with having to make a decision, and who had to make that decision not knowing all the facts. I believe this was originally the responsibility of the Leader of the Opposition, because he was in the cabinet at that time and later represented this area. He certainly should have had some knowledge of this situation prior to the 1958 election.

There is another problem with which I wish to deal. I should like to read a press clipping that appeared a few days ago, on May 29, in the Ottawa *Citizen*. It is something I have thought about, and I think about it in terms of other industrial occupational diseases. The article is headed:

Uranium mine cancer rate above normal

It is an Associated Press report from Washington, and reads:

The U.S. public health service said Saturday deaths from lung cancer are greater than normal among western uranium miners but an active program of controls has been set up by federal and state governments to curb the rate.

A spokesman said the rate is about ten deaths among 2,000 miners, compared to the normal rate of three in 2,000. Mostly, he added, the deaths are among men who have worked long in the uranium mines rather than from any short exposure to high radioactivity.

He said the rate of cancer deaths has picked up in recent years because it takes time for cancer to develop and uranium mining is a relatively young industry.

I think it would be unwise to spread fear among the miners in the uranium industry, but it would also be very dishonest if the miners in the uranium industry did not know this was a hazard of their employment. I can remember working with miners in the gold mining industry and the silica chrome industry. They entered that industry not knowing that they could get silicosis through working in the mines. Over the years controls have been developed. The use of X-rays has been made mandatory, and though there is still some complaint that the results of such X-rays are not brought to the attention of miners early enough, it is generally conceded that there has been some advance made in the control and prevention of silicosis.

When I was in the uranium producing area a year or two ago I attended a conference arranged by management and labour to consider this subject. The position taken by management was that this was their field; that the government should not legislate, but that the industry itself should take whatever measures are possible to prevent health problems developing from exposure to uranium. At that time there was some difference even among management itself as to whether employees could demand a urinalysis which would give an indication of whether radiation had produced any significant harm to an individual.

It is my opinion that the government itself will have to take a lead in this respect. Failing that, we shall find enlightened management arranging for workers in exposed areas to be given a weekly urinalysis while other management will say "We do not think these tests are necessary; the radiation is not strong enough to hurt anybody". As I understand it, arrangements for tests were to be made by the mines themselves and not by a government agency which would permit employees to undergo tests at any time they felt to be necessary.

I believe the federal government has a duty to conduct an immediate survey into the results of uranium mining on the health of workers in the industry. We have been mining uranium in Eldorado for 15 or 20 years, and there are miners who have worked for that length of time in the industry. There are others who, while they have been employed in the industry for a shorter period, have undergone a more concentrated exposure. The federal government never did undertake as much work in the development of silicosis control as it should have. We have been puttering along with the research which was done at McIntyre, aluminum dust therapy which many miners believe is ineffective and even harmful, because when you add any foreign substance to the lungs an additional risk is created since the lungs were not designed to handle foreign substances.

It seems to me that this is a national problem. I believe the minister is sympathetic, and if he wishes to give direction there is a great deal which can be done. In Germany research is still being carried out in the problem of silicosis in the mines. They are also continuing to pay pensions to those who have been exposed to an overdose of aluminum dust. We in this country may be guilty of behaving unscrupulously toward our miners when we arrange for aluminum dust to be pumped into their lungs. It is not taken voluntarily; it is compulsory, because the miners have to pass through the dryer where this dust is used. I suggest this practice is only as common as it is in Canada because the federal government has not carried out the work which it should have done in order to ascertain whether the use of this dust is advantageous.

I will agree that the incidence of silicosis has greatly decreased in the mining industry in Canada, but I think we must look at these figures not only in the light of the use of aluminum powder as a prophylactic treatment but in the light of increased ventilation in the mines and the increased use of water to keep down the dust. I suggest it is the duty of the minister in the light of all the facts now available to take another look at this question, because while it is true that fewer people are dying of silicosis there has been a great increase in death through heart diseases and other forms of diseases of the lungs. All these factors may be covering up the apparent decrease in the importance of the silicosis problem.

For these reasons I should like to ask the minister to comment on the work his department is doing with respect to the risks to health involved in uranium mining and, particularly, on the incidence of lung cancer which now appears to be forming an important part of this problem in the United States. The article to which I have referred says that in the United States both federal and state governments have set up controls to curb the rate of cancer among uranium miners. I wonder whether the minister has done any similar work in his department. The problem will be worse in Canada than it is in the United States since the concentration of uranium oxides is greater here than it is in the United States.

The Chairman: May I interrupt the hon. member at this point. He has probably said

practically everything he wanted to say on these industrial diseases in relation to the operation of the mines, but I doubt whether the subject has anything to do with the Department of Mines and Technical Surveys. I think this aspect of mine operations will probably fall within the jurisdiction of the provinces. With regard to research, that might come within the responsibility of the Department of National Health and Welfare, but it seems to me the hon. member has not been discussing a question which is relevant to the Department of Mines and Technical Surveys.

Mr. Peters: You are probably right, Mr. Chairman, in indicating that this is not part of the responsibility of the department of mines. It is probably safe to say it is not the function of any other branch of any other department of government, either. My suggestion is that this matter be brought under the Department of Mines and Technical Surveys. I have complained in the past that this department is more of a mapping service than anything else.

Mining is a very important subject, and in this particular context it is also a federal responsibility. We cannot say it belongs to the provinces, because the major jurisdiction in the uranium mining field has been brought under the federal authority. The sale of uranium is under federal control. Industrial relations with respect to uranium mines are under federal control. They have been brought under this jurisdiction and certified under federal government jurisdiction. Because of some of the wording of the security regulations the unions have been certified federally rather than provincially.

I make the suggestion, and the minister can reply. I believe it is safe to say that research in this field is not being done any place else. It should be done in this department, as I believe it is being done in the United States. We certainly think it is important enough to warrant some consideration by the Department of Mines and Technical Surveys.

(Translation):

Mr. Martel: Mr. Chairman, before adoption of the first item of the estimates of the Department of Mines and Technical Surveys, I should like to make a few remarks, as this item concerns a field that is of particular concern to me and one with which my area has been closely connected ever since the Abitibi area was opened up, around 1912 or 1913.

Of course, I have no intention of repeating everything that previous speakers said. I shall therefore limit my remarks to some matters of particular concern to my area, then I shall deal with a general problem, referred to this morning by previous speakers, and which, in my opinion, offers the key to a northward expansion such as we have not known for some years. I shall come back to this in a few moments.

Just now, I should like merely to deal with a problem which greatly concerns my area. It affects mining developments which are about to come more in the open, if I may be permitted this expression, developments which the minister underlined this morning when speaking about the Mattagami lake area.

To briefly sum up what is happening in this area, which was the subject of lengthy discussions in this house when we considered the bill concerning the construction of a railway branch, allow me to give a summary of the discussions that then took place here, as well as in the railway committee which made a detailed examination of the project.

In the Mattagami lake area there are considerable zinc deposits. There are also lesser deposits of copper, gold and silver, in addition to valuable metals contained in most of those deposits. The construction of a plant which will cost the Mattagami Lake Mines about $20 million is being contemplated. In addition to that manufacture, there is talk of the possible building of a zinc refinery at an estimated cost of $30 million.

As far as employment itself is concerned, that is the number of persons directly employed by the mine, it has been indicated that, at the start, the Mattagami Lake Mines will take on about 400 men. And if the zinc refinery is also erected there, this plant would give employment to 475 or 500 more men.

As a matter of fact, the company has already predicted that less than five years after the beginnings of the lake Mattagami area development, a town of some 5,000 would develop there. The village is still non-existent, but plans are already drawn for a town on Bell river, five miles east of the mine, that is five miles east of the place where mineral deposits were found a few years back.

The exploratory work performed in this new mining area brought about interesting results: less than five years ago, the area was almost unknown, but these discoveries

have drawn the attention, not only of prospectors, but also of mining companies which are trying to establish themselves there.

I feel it my duty to emphasize that people in my district are keenly interested in the setting up of the zinc refinery to which I referred earlier.

I understand that the federal government may not have the last say in the granting of licences, and that, in fact, it does not deal directly with the development of natural resources which, according to our constitution, come under the jurisdiction of the provinces; nevertheless, it is surely in the interest of the federal government that the northern areas be developed, and that the ore be processed on the spot, which means that a refinery be set up where the ore is to be found, for this will also help to bring about industrial decentralization.

To give you an idea of what I have in mind, here is an example. A campaign is being waged to convince the authorities of the mining company that the construction of a zinc refinery in our area would be not only justifiable but most advantageous from all points of view.

Let us remember what happened a few years ago when the Quebec Lithium Corporation decided to build a lithium refinery at Rouses Point, in the state of New York. Later on, after having considered the matter thoroughly from the economic point of view, the corporation decided to build the plant on its mining property in the township of La Corne, in the vicinity of Barraute and Landrienne, two communities of my constituency. The corporation had therefore decided to build its refinery on its mining property in the township of La Corne rather than in Rouses Point. Now, the main reasons which led Quebec Lithium Corporation to take that decision was that the transportation of ore concentrates had become too expensive because of the great distance and also because a great proportion of the loads consisted of waste or just simply rock. Consequently, the money the company could have made by selling its by-products in the United States and in the more heavily industrialized centres like Montreal, could not compare with the savings it could make by processing its ore on the spot and by building its refinery on its mining property, in the township of La Corne.

I think that example is appropriate in view of the problem raised by the construction of a zinc refinery in my area. The Minister of Mines and Technical Surveys stated this morning that a large proportion of our ore except iron ore, of course, is already being processed on the spot in Canada before being exported. We should not remain idle and rest on our laurels, however, because a lot remains to be done yet. Even if 60 per cent of our zinc is already being refined in Canada, that is certainly no reason to stop there.

If that project were carried out, following the example set by Quebec Lithium Corporation in northern Quebec, it would be advantageous for eastern Canada, not to mention the fact that the processing of our ore in Canada would be a step in the right direction. Of course, I would rather have that industry set up in Abitibi. I could give you other examples since a high percentage of other metals such as copper and nickel are refined in Canada, a situation which is beneficial to our economy. The construction of a nickel refinery at Thompson lake in northern Manitoba is also a striking example of what should be done to develop our natural resources in the north.

Before passing on to another subject, I should like to make a brief reference to an editorial published the other day in *L'Echo Abitibien*. It called the public's attention to this zinc refinery project, indicating that certain mining magnates were perhaps preparing to pull a fast one on the people in Abitibi.

Well, we do not want to let this pass unnoticed and we refuse to be done in. Therefore, I feel bound to point out this important matter so that our area may benefit from the setting up of this refinery.

I do not think I need insist in order to prove that it would be profitable economically to build this plant in our area. It has been mentioned time and again in the press, and in the railway committee when the building of a branch line through that area was being considered. It was pointed out then that it was essential to settle first the matter of selling the by-products. Of course, I have no figures here and I have not figured out the returns, but local, departmental and mining company economists could surely do it. Anyway, I do not believe that the profits from by-products would be enough to offset the cost of bringing over long distances to the refineries an ore made up mostly of waste. Besides, I believe that the Federation of Abitibi chambers of commerce has figured out the costs involved and will submit a report to provincial authorities.

Allow me to make a point on this subject. I wonder what would be the reaction of industrial towns located along the St. Lawrence

seaway or any waterway in our country, if we, in Abitibi, would call for the building of ironworks in our area. It is quite natural that those plants should be built on the seaway, in those very towns located along this country's waterways. Or rather, since zinc is being mined in our district, I do not see why it should be sent out of the area to be processed.

It would benefit this country and it would certainly be better than sending it to the United States, as has been done for several years. It would be well to have a refining plant in this country for metal produced in Canada. It would be ideal for our district and the whole northern area. To my mind, it would be an excellent thing to set up such a refining plant in Abitibi.

I shall now go on to something else which was mentioned by previous speakers, that is, assistance to the gold mines. Such assistance is essential. I believe that the Minister of Mines and Technical Surveys did admit that the gold mining assistance act should be retained. Indeed, I commend him for having renewed that assistance. We may thus keep those industries working, not only in northern Quebec, but also in northern Ontario.

As suggested by one hon. member who spoke before, most parts of this country would benefit. In fact, several mining towns in northern Canada would again know an undescribable depression, they would become ghost towns, if that assistance were discontinued. This morning I heard an hon. member say that a policy of subsidies had been suggested in the United States to help discover new gold fields from the prospecting stage onward.

To my mind, it would also be a good and helpful thing for the gold mines to raise the price of gold. Such a step would have worldwide repercussions.

It is, indeed, a very complex issue. It has been mentioned that the price of gold was raised once before, but there has been no increase since 1933, whereas the prices of all other metals increased in proportion to the supply and demand. In the case of gold, the price was established by the American government and has remained at the same level ever since.

As hon. members who spoke before me pointed out this morning and this afternoon, the problem is becoming more and more acute, and even the United States have reached the point where they have to put gold on the list of the most wanted metals and even offer grants in view of discovering and developing new gold mines. Obviously, it all goes together.

Just a word now on the devaluation of the Canadian dollar. Today, the dollar does not have the same value as it had before the second world war, when for the last time, in 1933, the price of gold was raised. We all agree on that.

A short time ago, we learned that the rouble had been devaluated, as of January, 1961. Such a decision on the part of the U.S.S.R. places our U.S. neighbours in an impossible situation, as they will have to do the same if they want to compete with Russia on world markets. Having devaluated its currency, the U.S.S.R. can compete at ridiculously low prices with every western country, including Canada which is a great producer of raw materials. They can sell their products at giveaway prices.

Just this morning, in fact, the minister referred to a large production of asbestos in Russia and indicated that Canada would be faced with keen competition.

The efforts being made by Russia to capture world markets, particularly with regard to such raw materials as we produce, are a threat to the economy of North American democracies, and particularly Canada.

Reference was made this morning to raising the price of gold. It will be recalled there have been several raises in the past. Indeed, that was what prompted prospectors to search for gold in the Yukon and in Alaska in 1900, and before that in California and along the U.S. Pacific coast.

There was a readjustment in the price of gold in 1933, and it resulted in the opening up of northern Quebec, particularly in my own area of Malartic-Val d'Or-Cadillac-Rouyn. At that time there was a tremendous surge of activity. After the price of gold was readjusted, its value remained the same, both before and after the war and on until today, and this has had the effect of a devaluation. That is what the Americans are trying to avoid, but they will soon have to reach a decision on the problem.

I have just received a very interesting suggestion on that subject from a mining engineer. In view of its importance and for the information of the members of this house, I hope you will allow me, Mr. Chairman, to read it into the record. Perhaps it does not give every detail, but it does give a general

idea of the problem and shows how attention should be paid to the price of gold. This mining engineer suggests that the price of gold be raised from its present level. That, I am sure, would stimulate this mining industry, as it did in 1933 when the price of gold was raised from $20 to $35. Here is the suggestion made to me:

(Text):

Re—Gold Situation

The price of gold in relation to currency is not important to the United States, as they do not produce gold, but is of utmost importance to Canada which is one of the three largest gold producing countries in the world.

Strange as it may sound, for every one dollar's worth of gold we produce, government takes in three dollars in taxes. This is better understood when it is realized that every one dollar's worth of gold produced means $12 to the economy of this country.

Thus, when we consider that we now produce $150 million per year, the taxes add up to $450 million per year.

If the gold mines were forced to close down, the government would not only lose this revenue but unemployment would increase far beyond the labour force directly employed by the mines.

Assuming that the dollar price of gold were doubled, on present production the taxes would also double.

Mr. Davies, who is a mining engineer and one of the pioneers of the northern district, says this in his letter:

But, an increase in the price of gold would more than double ounce production, thereby quadruplicating the present dollar production.

Further down in his letter he makes this suggestion:

The suggestion is that the Canadian government take the initiative by buying freshly mined gold at $70 per ounce and hold it until the world price is adjusted to this level.

The government would not only gain in increased revenue but would wind up owning the gold as well.

(Translation):

This suggestion was made to me by Mr. J. Fred Davies, mining engineer. He is anxious that northern areas be favoured in this connection. As happened in 1933, he believes this would be one of the ways to open up northern areas. Canadians would go out there in great numbers. We must not forget that with increased activity in the north there would be a rush to the north such as we have experienced in the past. No doubt that the rest of this country's economy would benefit by this initiative.

Mr. Chairman, before closing, I wish to raise another point. I mentioned it to the minister a few years ago, while his department's estimates were being discussed in the house. At that time, I asked him to have more surveys made by the Department of Mines and Technical Surveys in our province.

I must say however, that we have to take into account the fact that the province of Quebec has its own department which also makes geological surveys across the province. However, in the last few years, several other areas have become accessible because of the preliminary geological surveys that have been made but, because of the information obtained by new mine developments, I believe it would be a good thing if the federal government, through its Department of Mines and Technical Surveys, studied and revised its geological surveys in the north, particularly in the areas which in these last few years have become accessible through the Chibougamau railway, which connects the Abitibi and Lake St. John regions, as well as in those areas connected by the new roads to natural resources of the area that the provincial government is building under the federal government program in this field.

Those new roads cover new territories where initial geological surveys were made some 20 or 30 years ago, and preliminary reports of which have been published. Since then, considerable work has been done. Several companies have already gathered additional information. The provincial government has probably some too.

The new department of resources of the province of Quebec, as it is called, is carrying on the work in those areas. However, I think it would be advantageous for the central government to make other geological surveys in those areas which are now more accessible and where prospectors and mining companies could attempt to make other discoveries.

In those northern areas, especially in my constituency, aeromagnetic surveys have already been done. I think it would be interesting to complete those aeromagnetic surveys, more commonly known in mining sectors as "airborne magnetic surveys".

I think, as I said, that those surveys should be supplemented by geological surveys on the spot, in order, first of all, to confirm the information obtained by air surveys, and then to give additional information to prospectors and mining companies. Such a service would help them open up northern areas, and, furthermore, would be very useful to the people of those areas. Those operations would also allow the settlement of the surplus population in the south of our country.

It takes a couple of years before the results of these technical surveys are put at the disposal of the prospectors.

I firmly believe that these surveys will be of a great help to prospection. In the north of the Abitibi area, towards James bay, there is a vast territory with infinite possibilities if, naturally, the increase in the price of gold, to which I referred earlier, becomes a reality. This area has hardly been prospected by a few prospectors, surveyors or mining engineers.

Therefore, there is no doubt that these technical surveys will have greatly contributed towards the development of those areas. *(Text):*

Mr. MacEwan: Mr. Chairman, I have listened with interest to other hon. members who have spoken on the estimates of this department with regard to gold mining, and so forth. I shall, of course, reserve any remarks I have to make about coal mining until the dominion coal board item is before the committee. There is a matter which I should like to again bring briefly to the attention of the minister. He is well aware of this matter, because I have mentioned it to him outside of the house and in this house in other sessions. I refer to the retention and continuance of Pictou, Nova Scotia, which is in my constituency, as the base for hydrographic ships.

These two ships, presently the *C.G.S. Cartier* and the *C.G.S. Acadia,* have been based there for the last number of years. They have become an important part of the economy of the town and indeed of the area. Among other things, they provide work for the local shipyard during the winter season. Local suppliers have an opportunity to tender for supplies for the ships, and a large number of the crew of these two ships live in Pictou with their families and make an important contribution to the community. These people would suffer great hardship if they were forced to move because there is adequate housing in the town and they, of course, wish to remain there. In addition, there are repairs to some of the launches carried out on the ships as well as repairs to other equipment carried out in the town.

As I have said, these ships have actually become an industry for the town, and their removal would be a serious matter for the community. I realize that the department, and I commend them for it, are establishing an oceanographic institute at Bedford basin in Halifax county. I am glad to see that work on this institute is being carried out, because the institute will mean much to that area. I understand that upon completion of the institute, many specialists from the minister's department will be located there and will work within that area.

I believe it is the intention of the department to carry out oceanographic studies. Indeed, oceanography today is a study extremely important to many departments of our government. The oceanographic work will be carried out year around whereas hydrography is for a limited season. With regard to the hydrographic services which are, of course, carried out on a smaller basis, I believe that the two ships at present in operation will be replaced by two other ships as they are getting older, one which is being constructed at this time at Halifax and another one, which as I understand it, is on the drawing board in the department but it is a smaller ship and can easily be based on the port of Pictou as are the *Acadia* and the *Cartier*. The hydrographic studies are carried out normally from May to October in each year and although the port of Pictou is usually icebound during the winter period, when the harbour opens up these ships would be available, whether the present ones or the ones to replace them, during the necessary months, for years to come.

As far as facilities are concerned, it perhaps will be pointed out also that because of the disastrous fire in 1959 the complete waterfront facilities in this place were wiped out by fire. That is true. But working through the Department of Public Works they have gone ahead and accelerated plans for restoring the facilities and I am glad to report that the quay wall in the area has been almost completely restored. I was there last week. It is a fine structure and one of the ships, the *Acadia* is alongside the quay wall at this time ready to go out on the service. There are adequate facilities in existence there to look after these ships. On the quay wall there is a new shed being constructed which could be easily used by the department. A contract in the amount of some $543,000 was let last week for the reconstruction of pier "C." This pier will provide many more facilities including a freight shed. There will be adequate facilities to look after these operations.

As I have said, the minister is well aware of these matters. However, I cannot repeat them too often in view of the extreme importance of retaining this hydrographic base in the port of Pictou. Based on the set-up and on the period needed for the studies and the facilities available and all the other matters which go beyond the normal scope, I would again reiterate and submit to the minister that this base be retained in that locality.

Mr. Herridge: I just wish to say a few words on this first item of these estimates, as one who has always been interested in conservation of our natural resources, whether renewable or non-renewable. When one looks at the estimates of this department one realizes that this is the department of national health

and welfare, so to speak, so far as the mining industry is concerned and that the minister is, shall I say, the apex or the Santa Claus of the mining industry. This department represents very clearly free enterprise supported by public funds.

Mr. Comtois: I wish to tell the hon. member that I am awake.

Mr. Herridge: The minister refers to an incident earlier this session when I accused him of sleeping in the house. I apologize most sincerely. I did not realize that he was enjoying contemplation because he appeared to be completely inert.

I must bring to the attention of the committee the fact that this is a demonsration of, shall I say, the insincerities of the system under which we live and which is always preaching free enterprise. Here we find free enterprise bolstered to the hilt with public funds, and we are not opposing them under certain circumstances. However, I cannot resist bringing to the minister's attention that he is actually administering a form of socialist enterprise in some sections of the mining industry.

I now want to refer to the question of renewable natural resources or non-renewable natural resources and ask a few questions. An extremely interesting document came to my hand recently. It is entitled "Canada, A Nation of Economic Liars" by C. M. Campbell, mining engineer, Vancouver, B.C. I have read it with great interest. I am going to quote two paragraphs and then ask the minister a few questions because I think there is some truth in these paragraphs, particularly when one reads the history of the mining industry and the sort of buoyant statements made at the beginning of this century with respect to our resources of ore, coal and things of that sort and the actual situation that developed in certain areas. We now have ghost towns in British Columbia and other provinces where at one time we were told there was going to be unending prosperity. I read from page 14 of this booklet: under the heading "Is British Columbia against the Coyne Report?":

> The immediate reaction in B.C. is against the Coyne report. One university of British Columbia economist says, "B.C. should back primary industry." Another says, "Primary industry could be Canada's salvation." Then why, after a century of primary industry, are we not saved?

I think that is a very pertinent remark.

> A third says: "There has never been a country in the world that was not developed by an older country." As far as this province and Canada are concerned it has been a case mainly of depletion by the U.S., and not development at all, and it has been done with our co-operation which, apparently will continue. We are, also, no younger than the three Pacific states to the south, in aggregate area smaller than this province,—

[Mr. Herridge.]

That is British Columbia.

> —yet, based on primary and secondary industry, largely on their own initiative, they have a population, higher paid and more prosperous than ours, ten times as large as ours and as large as that of all Canada.
>
> In the editorial column of a daily paper the statement is made that efforts to change the tide are "reminiscent of King Canute's futile gesture." "U.S. investment," we are also told, "has been the spark plug of our post-war prosperity... These are circumstances to which we have adapted ourselves and we should at times kneel in thanksgiving that they have been such pleasant circumstances." For any nation to be thankful when its prosperity is based on the depletion of its talents with no replacement, is hard to understand.
>
> Needless to say we are appalled at this justification of the sell-out. That our students, 10,000 at the university alone, and our young men should become indoctrinated with these ideas is hard to believe. This dominion was founded as a member of the British empire, with a vision of a great future in it or its changing forms. Instead, as the preceding indicates, we seem content with the menial position of a Gibeonite in the American entourage.

I think there is some truth in the writer's analysis of the situation, although I think in some spots it is an exaggeration. However, he goes on to deal with these natural resources and at page 15 has this to say about the need for a realistic inventory of our mineral resources:

> As far as minerals are concerned, and they are the basis of our modern civilization, it is imperative that we know just what we have and what are the probabilities and possibilities for more. But, before any tabulation is made, we must have a code of rules agreed to by the universities, the mining institute, professional engineers, and the government mining departments and—it must be followed. In this we are 50 years behind. It is essential that the atrocities that have brought disaster be eliminated. This will be a difficult task for trafficking in plausible lies is all about us.

In that connection he is referring to the mining industry. As far as the forest industry is concerned, the government of Canada in co-operation with the provincial government has undertaken a survey or an inventory of the forest resources of Canada. This survey has proved to be of great value and has provided information upon which can be based a logical and long term development of that industry. As far as I understand it, nothing has been attempted in that direction with respect to our mineral resources. I am one of those who believe something should be attempted in that direction. We are leaving it entirely to the big corporations, who in many cases get a monopoly of the ore in certain industries. They divide the country up among themselves and as far as governments and the people are concerned there is no, shall I say, elementary knowledge even as to our total resources of minerals and the period for which we may expect them to exist. We are always being told of the limitless resources in this and that field, and so on.

Having outlined my point of view in a few brief remarks, and the point of view of the gentleman who wrote this brief, I wish to ask the minister a few questions. I trust he will answer them when he replies to the remarks made on this item.

First, of all, has anything been attempted with respect to an inventory of mineral assets in Canada under the jurisdiction of the Department of Mines and Technical Surveys? Has any effort been made to establish a code of rules or procedure with a view to taking an inventory of our mineral resources? Has the department undertaken an inventory of mineral resources even on a limited scale anywhere in Canada, either under its own steam, shall I say, or in co-operation with any province? If so, where were these inventories taken. If any inventories have been taken, does the minister consider them reliable? Would the minister say that he stands behind information given in documents published by the federal government as to the reserves of minerals in Canada at this time? In minerals I also include coal. Does the minister think this information can be taken as reliable by the Canadian people?

I hope the minister will give the committee any other information he can with respect to any consideration his department has given this question of getting reliable information regarding our total natural resources. That is the only basis upon which I think we can plan the development of these resources in the future. The minister knows that the forestry inventory has been a great help to the forest industry, and it will be a continuing inventory. It will be the basis for the planning and policies of provincial governments and private industry.

I am very interested to know whether there has been any discussion on this subject or any moves in this direction under the leadership of the Minister of Mines and Technical Surveys or on the part of any provincial government, to his knowledge.

Mr. Kindt: Mr. Chairman, I rise at this time to say a few words on this extremely important topic about which several hon. members have already spoken. I have listened with a great deal of interest to the speeches of those who have preceded me on this subject.

I was particularly interested this morning in listening to the Minister of Mines and Technical Surveys giving statistics showing the natural resources which are available in this country. One of the figures which impressed me particularly was the 15 per cent increase in the proven reserves of oil and gas in western Canada. In addition to the resources which we already have in this field this is a tremendous and astounding increase. It naturally leads me to raise the question as to the speed with which private industry with government assistance is developing and taking full advantage of these natural resources.

First of all I look at markets. With regard to the question of markets for these mineral resources—and after all one is inseparable from the other—if we discover these resources we must certainly find some way in which to manufacture them into finished products and then to market the manufactured product. We must either manufacture the raw material in Canada or, if we cannot do that, find markets for the raw material elsewhere.

I for one favour the proposition of manufacturing and starting industry in Canada as far as possible. I do not wish to deal with the various aspects of markets for raw material in Canada or abroad. That may be a subject which can be discussed at greater length on some future occasion. However, at this time I do wish to say a word or two about industrialization, because industrialization in western Canada is near to my heart. It is one of the things to which I have given a tremendous amount of attention. As an economist I have assisted in the location of a number of industries in western Canada for the purpose of developing the natural resources there. Therefore I feel that what we need is industry in western Canada to develop our natural resources.

In other words, we all know that private industry is doing a good job in the development of these natural resources, but I say that in relation to the tremendous quantities that are there to be developed, private industry is developing them at a snails' pace. The time is not far in the future when we should look critically at the rate at which these natural resources are being developed. With regard to government assistance in the form of capital to assist the development of these resources, I believe the time has come when this type of assistance should be given. We need more corporations such as Polymer corporation in the west.

When I suggest that social capital should be used for the development of industry the boys over in the corner may say, "That is socialization". Certainly it is one form of socialization, but it has been indulged in for years by governments of this country and other countries. It did not make them socialist. These hon. members have no prior claim on the words "socialism" or "social". As a matter of fact, if you take socialism as it is taught by the orthodox socialist, I agree with Stephen Leacock who once said:

Socialism would work only in heaven, where they don't need it, and in hell, where they have it already.

What we want in Canada is co-operation between governments and private enterprise to the end that industry can achieve maximum development, and we want socialism wherever it will work best. That is the very pattern under which we have been developing our resources for years. I only need to refer to Polymer corporation, and I could name many other crown corporations which have been set up for the development of our resources. We need more of them. There is nothing new about that; it is simply a step forward and a method of achieving what is perhaps too risky as far as private capital is concerned and what private enterprise will not undertake.

I firmly believe that in the west we need decentralization of industry. I should like to see industries in some of the small towns, for example, in southern Alberta there is an abundance of natural gas, coal, iron and other resources waiting to be developed. These towns could support industries.

I would rather see development of industry take place in 50 good rural towns in Alberta than a high concentration of development in two big cities. I should like to see in southern Alberta towns like High River, Nanton, Vulcan, Pincher Creek, Fort Macleod and towns in the Crowsnest pass obtain industries appropriate to their areas instead of having all these industries concentrated in Calgary or Edmonton. I feel that with proper consideration, decentralization and a certain amount of guidance, this development could take place. It is within our grasp. It is surely coming. All I am saying is that we should speed it up and give to the people in western Canada the quick development of natural resources for which they have the potential in terms of hydrocarbons and other raw materials.

I do not plan to speak at greater length on the general topic of minerals and their development at this time. I shall speak again on the coal board item when that subject comes up. So, for now, I place the floor at the disposal of the chairman.

(Translation):

Mr. Comtois: Mr. Chairman, I should like now to answer the various questions put to me since I made my opening remarks this morning.

First, I wish to thank the hon. member for Villeneuve (Mr. Dumas) for his praise of the employees of my department. I wish to assure him that we do our utmost to speed up the publication of our reports, particularly the annual report on our activities. However, there are sometimes unavoidable delays because, as we all know, there is a lot of compilation to do, with the result that there are those delays which are beyond our control. However, we do our utmost to prevent what might become an abnormal delay.

I am also aware, as the hon. member for Villeneuve indicated, that the gold mining assistance, under its present form, is not sufficient to assure the adequate protection of this industry in the future.

It is evident that in amending the legislation we do not claim to cure the problem definitely.

Since the hon. member for Villeneuve mentioned it, I might add a few words on the United States policy concerning assistance to gold mines. I have here an explanation of the system developed in the United States. It reads as follows:

(Text):

The United States minerals exploration agency which makes assistance available for exploration for certain strategic minerals in addition, recently, to gold and silver, provides for the advance of small sums of money under certain conditions. One of these conditions defines the amount of exploration which must be done before an advance is granted. Another provides for the submission of evidence that traditional methods of finance are not available for the project. Another provides for the return of the sums advanced upon the attainment of production. The agency does not finance general exploration.

In Canada, prospectors who meet the conditions of the minerals exploration act have generally little difficulty in obtaining funds for further exploration and development. Our Income Tax Act provides very good incentives to the mineral industry, incentives which surpass those of any other country in the world, including the United States. I know the hon. member will agree with my comment regarding the usefulness of the minerals exploration act.

(Translation):

I wish to thank the hon. member for his remarks and suggestions, and to tell him that all his proposals will be studied carefully by the officials of my department.

(Text):

The hon. member for Timiskaming mentioned the apparent discrepancy between the potential represented by our deposits of iron ore and the resources which are being exploited at the present time. I should like to make it clear that Canada is now in a highly competitive situation in international iron ore markets, and for some years to come we must expect that only such of our deposits

as are most economically situated and easily workable will be put into production.

The hon. member also referred to cobalt. I say with regard to that subject that the government has no program of mineral stockpiling. It does, however, have small stockpiles of tin, cobalt and antimony built up during the Korea emergency in the early fifties. The stockpiles of these three metals are the responsibility of my colleague the Minister of Defence Production. My department acts only in a technical advisory capacity to that department.

The hon. member for Timiskaming also mentioned the matter of uranium. The only concern of my department with regard to that subject is with research and the sharing of economic studies with other departments or agencies of the government. I would suggest to the hon. member that he direct his questions to my colleague the Minister of Trade and Commerce when his estimates are before the committee. He would be able to supply information in greater detail with regard to uranium.

The hon. member for Chapleau also spoke.

(Translation):

And, as he made his speech in French, I will reply in that language.

First of all, I can assure him that the government will be pleased to see a zinc refinery being set up in the province of Quebec. If my department or the government can help in any way in the carrying out of that project, we will certainly be glad to do so, for this is fully in accordance with the policy of this government for the processing of ore within our frontiers.

(Text):

The hon. member for Pictou said something about his own district, particularly about his own constituency, and said he would like to see our ships anchored at Pictou. I assure the hon. member that I will give serious consideration to his request that we should continue to berth some of our ships there. However, as the hon. member knows, we are planning to berth all our ships at the site of the Bedford institute. This was part of our project two years ago, as was explained last year. This project is now in the process of realization. As I mentioned this morning, the Bedford institute of oceanography will be a great improvement as far as my department is concerned. At the outset about 300 or 400 members of our staff of scientists, clerks and so forth will be transferred to permanent quarters there. The Bedford institute will be situated in Dartmouth. Our planning is dictated by the economic aspect of our operation. We think it will be much more efficient to start with this system and in centralizing our operations and by having our ships on the east coast, and so forth.

However, I assure the hon. member that we will give our most sympathetic consideration to his request. We will do everything we can in that regard.

The hon. member for Kootenay West—

Mr. Herridge: I am awake.

Mr. Comtois: —will listen to Santa Claus.

Mr. Herridge: Willingly.

Mr. Comtois: I am not Santa Claus; I am not old enough for that. In some quarters, sometimes in the gold mining districts and in other places where not gold but other minerals are subsidized, our money is very well received.

In reply to the question of the hon. member, I wish to say that the mineral resources division of my department has under constant compilation and revision a catalogue of all our mineral deposits in Canada. I do not know whether the hon. member is aware of this, but the catalogue is available and he can have it at any time. It is not published, but we have the information on cards and the hon. member and everybody else can get full information from our department.

Mr. Herridge: Excuse me; does the minister mean by "catalogue" that there is an estimate of the reserves of mineral resources?

Mr. Comtois: I will inform the hon. member, but I must remind him that whereas it is very easy to count the trees in the Kootenays or in the province of British Columbia, it is not easy to find out how many billion tons of every kind of mineral we have in Canada. It is not an easy job and I am sure the hon. member understands that. This is not an easy program to undertake but nevertheless we are cataloguing the findings of the companies and of the industry. I agree, if it could be done in a practical way it would be a good thing, but once again I say it is much easier to count the fir trees of British Columbia than it is to assess the potential minerals of this country such as iron ore, gold, silver, copper, lead, zinc and so forth. It is not easy to find out what is underground even with our very capable staff, our surveyors, our inspectors and our geologists. It is not very easy to find out precisely in accurate figures the potential mineral wealth of this country. As I said a minute ago, we have an inventory of our known resources, but so far as the unknown resources are concerned we have no knowledge at all.

As my last words on the subject may I say one might assess the mineral potential of an area, but one cannot assess the mineral reserves until they are proven by exploration or development. The suggestion of the hon. member is not a bad one, but as far as

its being practical, or something that can be undertaken in a short time, that is quite a different proposition. It would represent a considerable undertaking. That is all I have to say on the questions raised.

Mr. Herridge: I want to thank the minister for the information. I am glad to know that a catalogue is being undertaken of known reserves. I am a very practical person, sir. I realize the difference between counting trees and assessing reserves under the ground, but I should be very glad to get a copy of that catalogue of known mineral reserves in Canada.

Mr. Comtois: May I remind the hon. member that this cataloguing of our mineral reserves was started in 1917 under a Tory government.

Item agreed to.

204. Explosives Act administration, $111,648.

Mr. Dumas: Mr. Chairman, on item 204—

(Translation):

—could the minister tell the committee whether individuals or companies have asked his department to increase the load of explosives that trucks are allowed to carry under the Explosives Act?

Mr. Comtois: Could the hon. member repeat his question as I was disturbed by the messenger?

Mr. Dumas: Could the minister tell the committee whether individuals or companies have made representations to him or to his department in order to get an increase in the permissible load for trucks with a special permit to carry explosives?

Mr. Comtois: Mr. Chairman, I looked into that question, some time ago. During the year representations have come from various regions of the country but particularly from regions where explosives are hauled long distances.

As you know, Mr. Chairman, the present load limit is ten thousand pounds, that is five tons, and we were asked to raise it. We received all kinds of representations on that matter. No need to say that those representations came from transport companies and not from companies which buy the explosives. Of course, the transport companies would like to save time and money, by increasing their truck loads of dynamite or explosives. We know that our present roads can carry very heavy loads and that there is no limit to the ambitions of some owners of those huge vans that can haul about the same load as a freight car. Unfortunately, we have to resist such requests because, everything being considered, it would be extremely dangerous to allow an increase, since it cannot be known exactly where the trucks will pass. As a matter of fact, a reckless driver might go through a village and an explosion might happen. It is easy to imagine the damage that could follow and how we would be blamed for having allowed a truck to be overloaded. For example last year—I think it was on highway No. 8—a Montreal truck driver was carrying explosives and, doing so, was violating the regulations since his vehicle was not a suitable one for such a load. While on the road, the truck caught fire. Fortunately the driver was warned in time. He jumped off his truck, and immediately the explosion occurred, but without killing anyone. However, the nearest house, two acres away, and the farmer's barn were moved about two feet by the blast. One can therefore imagine what would happen should such an explosion occur in a village.

However, we realize that in some circumstances—in western Canada, for example, in the area of the hon. member for Villeneuve, in the Abitibi area—there might be some special cases which could be considered where an increase could eventually be permitted.

However, this is a matter which comes more properly under provincial jurisdiction.

I understand that a statute was adopted many years ago by the federal government and was never questioned.

I do not know whether the provinces are reluctant to take up such an explosive subject, but in any case the statute has remained unchanged. Therefore, if it involves legislation which normally comes under the provinces, it could not be amended without an agreement with the provinces, which is quite a complicated process, particularly if the provinces, while letting the legislation operate as it does, are prepared to recommend the increase of the permissible load. But I feel the matter could be settled to the satisfaction of those who are asking for changes in the legislation.

Does that answer the hon. member's question?

Mr. Dumas: Yes, Mr. Chairman.

(Text):

I understand it is a question of security and the minister is satisfied that the department cannot very well permit an increase in the permissible load on trucks transporting explosives.

Mr. Comtois: That is right.

Mr. Dumas: I understand that, and we know that the question of security is very important. However, in my district there are long distances to be travelled and I suggest that in order to make it economical special permits should sometimes be granted. However, I am not going to insist on that. As the minister has said, if a province feels that something should be done it can get in touch with the department and ask that the permissible load be increased.

Mr. Comtois: I should say that certain provinces would like the federal government to continue to control security. Other provinces, like the province of Alberta, would like to pass an act giving them authority over this matter. Alberta has contested the validity of the federal act regarding this matter. As you can see, Mr. Chairman, this is a very delicate problem, but the initiative so far as amendments are concerned should come from the provinces and there should be some cooperation or understanding between the provinces and the federal government.

Mr. Aiken: I should like to ask the minister two questions on this subject. First, has there been any change in the policy since the affairs of the department were examined by the standing committee on mines, forests and waters some two years ago? Second, is there any authority in the act to grant a special permit in special cases or is the limit absolute?

Mr. Comtois: The answer to the first question is that there has been no change. As far as the second question is concerned, we can amend the regulations provided sound reasons and facts are presented to us for doing so. The regulations can be amended at any time if serious reasons are advanced that justify doing so.

Item agreed to.

Surveys and mapping branch—

207. Branch administration including a grant of $1,000 to the Canadian institute of surveying and photogrammetry, $171,588.

Mr. Herridge: This item has to do with surveys and mapping. Because of the increased traffic of pleasure craft and tugs for towing on the Columbia river between the international boundary and Revelstoke and because of the number of boats that have lost propellers or have become stranded on sand bars, particularly between Arrowhead and Revelstoke and in the narrows between the upper and lower Arrow lakes, I suggested some three years ago that it would be a good idea for the department to draw up a simple chart that could be sold to persons at the customs office at Trail for $1 to cover the cost so that they would have a chart to use in proceeding in Canadian waters as far north as Revelstoke. At the time the minister informed me that his department was very busy but that they would give the matter consideration.

I urge the minister to see what can be done in that connection because this traffic is increasing very rapidly. Such boats now come from Portland and the mouth of the Columbia. They are transported around Grand Coulee and Bonneville dams on low beds. To indicate the extent of the traffic, may I point out that 27 of these pleasure craft called at my son-in-law's home over one week end last year and over 100 came by during that period. The local people know the waters but quite a number of these boat owners run into minor difficulties because of their lack of knowledge of the channels and so on.

Mr. Comtois: I will certainly look into the matter and give the hon. member some information privately as soon as I can.

Item agreed to.

208. Geodetic survey of Canada, $935,434.

(Translation):

Mr. Dumas: With regard to the geodetic surveys carried out under the supervision of the Department of Mines and Technical Surveys, could the minister tell the committee how many teams and men will be employed in the summer of 1961?

Mr. Comtois: Mr. Chairman, in the year 1961-1962, nine groups will be employed at triangulation work, four at astronomy and basic lines, and five at accuracy surveying work.

In all, the geodetic service includes 79 persons.

(Text):

Canadian hydrographic service—

212. Administration, operation and maintenance including Canada's fee for membership in the international hydrographic bureau, $5,370,081.

(Translation):

Mr. Dumas: Mr. Chairman, I am not sure whether the minister told us this morning that a new ship, the *Maxwell*, was in operation at present or would be during the summer.

Mr. Comtois: I believe that we will have this ship in operation at the end of the season. It is now being built. We hope it will be ready to operate in the fall.

Since we are dealing with ships I must say that the *Hudson,* for which a contract of about $7 million was awarded last year, is now under construction in the shipyard of the St. John Dry Dock Company, St. John, N.B., which was the lowest tenderer.

There were delays caused by a strike. I hope that it will be settled in the near future, if it is not already.

I am told that work has resumed. I see now that the hon. member for Gloucester (Mr. Robichaud) is telling me that the work has resumed. I am very happy to know that, especially since the department, on account of the delay brought about the strike, could not have carried out the same plans next year, had the strike lasted.

This vessel will probably be completed by the end of 1962.

We already have the *Baffin,* one of the finest hydrographic ships that can be found anywhere in the world.

However, I believe that the *Hudson,* being a more modern vessel, will be even more efficient than the *Baffin.*

Mr. Dumas: I understood the minister to say this morning that the *Hudson* would be put into operation in 1962.

I should now like to know whether other vessels are under construction at the present time.

Mr. Comtois: We do not have any other vessel under construction, but we plan to replace three vessels—and ship designers are presently working on this project—which are not necessarily out of use, but which are not adequate any more for the growing needs of the department.

Mr. Dumas: And will these vessels be used for hydrographic purposes?

Mr. Comtois: Certainly.

(Text):

Item agreed to.

Geological survey of Canada—

218. Administration, operation and maintenance including Canada's share of the cost of the geological liaison office, British commonwealth scientific conference, London, England, and $75,000 for grants in aid of geological research in Canadian universities, $4,937,624.

(Translation):

Mr. Dumas: Mr. Chairman, on February 21, 1961, the minister had a news release published announcing that the federal and provincial governments were to undertake extended aeromagnetic work programs.

I understand these projects are to be spread over a number of years and their cost will be shared by the federal and provincial governments.

I am told that $12 million have been earmarked for such surveys in the provinces, and $6 million in the Yukon and Northwest Territories.

Could the minister tell the committee what amount will be spent this year and how it will be divided as between the federal government and the provinces?

What is the amount the department expects to spend in the Yukon and the Northwest Territories?

Mr. Comtois: As far as these aeromagnetic projects are concerned, we have signed agreements with two provinces, Ontario and Saskatchewan.

We are going to spend $300,000 in Ontario this year, on a sharing basis with the provincial government.

We have recently entered an agreement with Saskatchewan. As a matter of fact, it was yesterday I think that I put my signature to a document to be submitted to the minister of mines in Saskatchewan, Mr. Brockelbank. It provides for an expenditure of $300,000 to be shared on an equal basis by the federal and the provincial governments.

In the Yukon, we are going to spend $150,000 to this effect this year. Of course, the whole amount will be supported by the department, since there is no possibility of agreement with a non-existent province.

Mr. Dumas: And the Northwest Territories?

Mr. Comtois: That is for the Yukon and the Northwest Territories.

Mr. Dumas: Is the minister negotiating with other provinces in order to come to some agreement with regard to the carrying out of projects throughout the country, in all provinces concerned?

Mr. Comtois: I must say, Mr. Chairman, that all provinces where the pre-Cambrian is found have let us know that they favoured the project.

As a matter of fact, the province of Ontario is ready to provide a certain sum in its estimates, and so is Saskatchewan.

The other provinces which are interested in coming into the project assured us that next year, they would earmark the necessary amount of money for carrying out the program.

This year, there are two provinces, as well as the Yukon and the Northwest Territories. Next year, we expect that other provinces will join the first group and take part in this project.

It has been pointed out to me that I spoke of the pre-Cambrian. The hon. member for Villeneuve knows that I made a mistake. I meant the Canadian shield.

(Text):

Mr. Dumas: I do not want to delay the item, Mr. Chairman, but I noticed the subventions to universities have been increased from $50,000 to $75,000. This is a very good thing. Perhaps the minister can tell us how the amount is being spent this year. Is it $50,000 or $75,000 this year?

Mr. Comtois: It is $75,000, and we are now in the new fiscal year.

Mr. Dumas: I wonder if it would be much trouble for the minister to tell us the amount for each university? I believe these amounts are distributed between various universities. Has the minister these figures available?

Mr. Comtois: I can give only the figures for last year. The figures for this year are under preparation and I do not have them now.

Mr. Dumas: Well, I have the figures for last year, so I am not going to impose on the minister by asking him to repeat them.

Mr. Comtois: I do not have the figures for this year because we are at the beginning of the fiscal year.

Mr. Dumas: That is what I wanted to know. I believe the department deserves credit for this scheme because through these studies that are done by the different universities we are gaining much at very little cost. I am certainly happy to see that the amount has been increased from $50,000 to $75,000.

Can the minister tell the committee if Laval University have made application for a grant and whether **or not they** have qualified to obtain a grant under this provision?

Mr. Comtois: Yes. They are qualified and they have applied.

Mr. Dumas: Was any amount granted to Laval University last year?

Mr. Comtois: No. No amount was granted last year. It is for this year.

Mr. Dumas: Would that be the first year Laval have made application for such a grant?

Mr. Comtois: I think they had something previously, but I am not sure. I could give the hon. member an answer when I have the information.

Mr. Herridge: Can the minister inform the committee how many parties will be in the field in British Columbia this year and where they will be or what areas they will be working in under this vote?

Mr. Comtois: My department yesterday issued a press release giving full details about the various parties we have in the field. If the hon. member wishes to have the details right now, I can read them. However, this release is available. I will send him a copy right away.

Mr. Herridge: I thank the minister and I shall be glad to receive a copy.

Mr. Comtois: I may say that the first province mentioned in the list is British Columbia.

Mr. Herridge: That is quite normal.

Mr. Tucker: May I ask the minister whether the release covers all provinces?

Mr. Comtois: Yes. We have 102 field parties. The release covers all provinces. Any hon. member can have a copy of the press release. Everything concerning each province is indicated there.

Mr. Dumas: I understand that last year the department carried out a special survey here in the city of Ottawa and that, after having completed the survey, it published a geological map showing the formation of the ground beneath the city of Ottawa. I have looked at the map and I can say that it is a very interesting one. There is no doubt that it will be extremely useful to a great number of people here in the city of Ottawa. I am just wondering whether the department intends to carry out the same work in the city of Hull, for instance. Hull is close to Ottawa; it is part of the national capital; and it might be a good idea if the department would carry out a survey beneath the city of Hull and the neighbouring villages.

Mr. Comtois: Yes. We will extend this work to the city of Hull and the district across the river in the province of Quebec.

Mr. Dumas: I am very pleased to hear that. I am told that the survey is going to be tremendously useful here in Ottawa. There is no doubt that our friends in Hull will be glad to hear that the department will do the same kind of work there so that contractors will be on the same basis in both cities, having regard to the fact that this territory is included in the national capital.

Mr. Fisher: On the estimates of the Department of Northern Affairs and National Resources I tried to get from the minister some information about one of those roads that had been plotted and designed by his predecessor. I refer to one that ran from somewhere north

of lake Nipigon—there is a dotted line on several maps indicating it was provisional—all the way up to northern Manitoba near Hudson bay.

According to the information that was filed showing the correspondence between the provincial government of Ontario and the federal government the actual site or route of the road was in abeyance until a number of surveys, including aeromagnetic and geologic surveys, had taken place. I wonder whether the minister can give me any indication as to what activity is being carried on in his department in that particular stretch that bears upon this whole road idea?

I know that the two departments co-operate and have an intimate liaison. We in that part of the country would like to know when it is likely that some kind of road site will be arrived at between the provincial government and these two government agencies, one of which the minister represents. If he could fill me in as to how the surveys are going, when they are likely to be completed and whether there is any indication yet as to what recommendations his department is going to make as to the best site of the road in order to take advantage of the mineral possibilities in that great stretch, I should be glad if he would do so. I repeat again that I have reference to this projected road that would run from north of lake Nipigon slashing northwest across the Patricia district and touching up near Hudson bay over the border of Manitoba or just about the border of Manitoba. It is an area which at the present time has almost no road facilities at all.

Mr. Comtois: It is not very easy to answer that question right now. Could that question be asked at some other time by the hon. member? The information must be obtained within my department and through the department of northern affairs. We give advice but the real information he wishes to secure could be obtained more easily and more accurately through the northern affairs department.

Mr. Fisher: I am little bit fed up with the fact that the department of northern affairs which is part of the vision has kept projecting this road as a dotted line. It looks good when you have a map of Canada in front of you and there right across the centre of it you have this dotted line of this projected road that would have a mileage of something between 600 and 800. All I can determine about the road is that plans for it are completely up in the air unless this minister's department reports and gives some indication as to where the road should go. If the minister would assure me that he will send me the information relating to his department's activities in connection with this project so that I can turn to the minister of northern affairs and say, "Look, take the dotted lines off" or "Let us put this away in the sack for four or five years", I would appreciate it very much. I am quite willing to forget about the matter now if the minister will give me the assurance that he will provide information as to what his department is actually doing. I know the minister appreciates the fact that, when it comes to projects for the future, people can get very woolly. I should like to have something to tell the people in my area about this great dream.

Mr. Comtois: I must repeat that my department gives advice to the department of northern affairs. They may or may not accept our recommendation. They may make use of it. But we have no other authority than that. I can assure the hon. member that I will do my best to give him the information he requires and whatever further details are available. Also, we will communicate with the other department.

Item agreed to.

Mines branch—

220. Administration, operation and maintenance, $4,480,543.

Mr. Best: Mr. Chairman, I would like to make some brief remarks on item 220, which covers an amount of some $4\frac{1}{2}$ million for administration, operation and maintenance of the mines branch of the Department of Mines and Technical Surveys.

I want to confine my remarks solely to studies carried on at present in the department and in its mines branch on uranium, uranium ores, extractive methods applied to such ores and new studies now going on into the problem of alternative uses of uranium in Canada.

We all know the problems faced by our uranium mines and their workers in this regard. As the demand for this mineral for defence purposes has diminished it has become increasingly important to search for other uses for uranium. Its use in nuclear power reactors for electricity production is now beginning in Canada, but some years will pass before large quantities are utilized here. In the annual report of the department for the calendar year 1958 we note that on page 62, under the heading "Radioactivity", there are references to problems in uranium ore treatment. In the 1959 annual report of the department, on pages 42 and 43, there are considerably more extensive references to uranium, but still largely confined to the treatment of ores in co-operation with private mining companies.

While this work is indeed important in order to make these companies in the years ahead more economic and competitive with uranium producers in other countries, I feel we are nevertheless interested in Canada—there has been some indication of this in the evidence given before the research committee of the house—that further stimulus should be given to research into finding completely different uses of uranium itself.

In the last paragraph on page 44 of the annual report of the department for 1959 there is a reference to the liaison between the mines branch of the department and the uranium industry, largely through the Canadian uranium producers metallurgical committee, as it is called, and also with the representatives of Eldorado Mining and Refining Limited.

Conventional procedures of uranium recovery and their study by the mines branch are indeed important, but Dr. John Convey, the director of this branch, has pointed out on various occasions that additional personnel could be used by this branch for a study of alternative uses of uranium. Such a study could take place in various fields, and more technical experts are urgently needed to carry out this work.

We gather that perhaps half a dozen individuals are at present working in the mines branch in co-operation with Chalk river and Atomic Energy of Canada in the development of reactor materials, for instance. This is one field. It has been pointed out in the past that various officials and members of the mines branch have worked in the field of uranium and radioactivity in developing methods of safely handling radioactive materials. There are possibly some 18 people in this group at present in the mines branch.

Nevertheless there does appear to be a lack of assistance, whether it be in terms of finance, or availability of personnel, for looking into other uses of uranium, and the government should examine this in detail. There have been indications of many useful fields here. There is the combining of uranium with such elements as sulphur, carbon, hydrogen and nitrogen present in steel, which can then impart to steel qualities of strength and wearing ability which are most useful.

This has been called the scavenging use or activity of uranium in steel and it is one which has been coming to the fore very much in recent months and years. This was tried some 30 or more years ago, I understand, by our mines branch; I refer to the addition of uranium to iron and steel. But I would think much further work could now be done in this area in co-operation with private companies in the steel industry across Canada. The qualities of steel, its fatigue strength and other such properties, could very possibly be improved. If it came about that an appreciable percentage of our steel production in Canada could incorporate one, two or more pounds of uranium per ton it could go a definite distance toward solving some of the problems of our uranium mining production and would provide employment in various areas of Canada.

The use of uranium in alloy steels for withstanding high pressure and high temperature in jet engines, and in various types of pipe, have been pointed out and could be examined in considerably greater detail. In addition, I imagine the mines branch is examining the addition of uranium to non-ferrous metals, and presumably additional personnel could be used here. More basic research should be done, and co-operative work extended testing uranium for catalytic work, shielding, underplating, and so on.

In sum total, Mr. Chairman, while we have seen in Canada in recent months a definite increase in activity in solving our problems in the uranium industry through the creation of such bodies as the Canadian uranium research foundation, and the Canadian nuclear association just a week or so ago, I do feel that our government can assist, through the mines branch and through its able director, Dr. Convey, in placing additional personnel and additional funds, perhaps as research grants to universities across Canada or directly in the branch itself, into the solving of this problem of uranium costs, and second, alternative uses of this mineral in the very wide field of possible applications which now lie before us. Uranium mines and the people they employ are a vital sector of our economy, and it is to be hoped that increased efforts by the companies themselves, and the governments involved, will continually improve the prospects for the peaceful use of this mineral.

Mr. Peters: Mr. Chairman, I should like to inquire about several matters that we have discussed in the past, and raise one or two new ones. One question is this: are there now engineers in this department who are qualified to check the books, and particularly the physical conditions of gold mines, to see that the mines are complying with the requirements of the Emergency Gold Mining Assistance Act?

I hope that this year the minister will be in a position to tell us that there is at least one qualified official of the mines branch who can do this and his department does not have to rely upon some other department to provide people for this work. We are spending considerable money in this field and I think something should be done to ensure

that we are getting an honest report from the mines. This can be done only if a physical examination is undertaken by the department.

I was interested in the remarks of the previous speaker with regard to the research carried on in the uranium industry. I should like to ask the minister whether any consideration is being given to increasing the amount of research in order to make it possible for the silver industry in northern Ontario to establish mills. They would like this to be under impartial auspices, if possible.

Has any consideration been given to carrying out research which will enable the silver industry in Ontario to establish plants which would make it possible to process the metal in this country instead of being sent to the United States for processing? Under the present system Canadian silver is smelted in the United States and, when, as sometimes happens, those in a silver producing area wish to buy the finished product they must pay the high rate charged in respect of the refining operation. If some research were carried out as the result of which it were possible to establish a mill to refine these concentrates in the Cobalt area—I have in mind a process which would prove economic in operation bearing in mind the volume of metal to be dealt with—there would be obvious advantages, not only in the lower price of the finished product but in employment. I should like to know what work is being done in this connection, bearing in mind the obvious advantage which would attach to the Canadian mint being able to acquire its refined silver from a Canadian source instead of having to buy the processed metal elsewhere.

Mr. Comtois: The federal and provincial governments have been jointly studying the possibility of a silver refinery being established in the Cobalt area. Both governments have discussed the matter with the industry but up to the present no conclusion or solution has been reached. However, I understand that studies are still going on and I hope that one day some decision may be reached. I am sorry that I cannot give the hon. member more detail.

Mr. Peters: I understand that the Deloro smelting company has closed down its operations and that the smelter previously operated just south of Cobalt could, with a small addition, be converted into a refinery which would be able to process silver. I wonder if the federal government would consider giving some technical and engineering advice to the industry so that a smelting operation could be undertaken in this area. I have talked with one or two of the mine owners and with one or two consulting engineers who are interested in this project. They have a fear—one which I think is well grounded—that such a plant should not be developed by one of the mining companies alone, for the simple reason that none of these companies trust each other implicitly. They would like the mill to be operated on an impartial basis. One or two of the firms are almost large enough to undertake a development of this type without assistance from others in the industry, but the companies would much prefer to see it established under independent auspices.

I believe the processing of nickel and uranium is carried out under licence. Most of the gold mines operate refineries of their own, I believe the final steps in refining are carried out in the mint itself. I was wondering if the department had any technical advice which it could give these mining companies in the Cobalt area which would assist them if they were willing to set up an independent company using the refinery which is already in existence in Cobalt. Up to the present we have no such refinery in Canada. The project would mean the employment of between 20 to 30 people and it would also mean that the Canadian mint, or the mine, whichever it might be, would get the advantage of the two or three dollars an ounce which now has to be paid on account of the refining being done in the United States.

Mr. Comtois: I can assure the hon. member that my department is ready at any time to give technical information and economic advice to anyone who has a project in mind for the processing of silver, cobalt or other minerals. I am sure that if the studies and advice offer some possibility of success the industry will jump at the opportunity presented. We are ready to do anything that may be required or asked for.

Mr. Peters: Can the minister say if the department now has engineers reponsible for checking the physical requirements which are specified in the Emergency Gold Mining Assistance Act in so far as responsibility falls under the jurisdiction of the mines branch?

Mr. Comtois: Once again I wish to tell the hon. member that the inspection of gold mines is undertaken by the mineral resources division, not by the mines branch. This has been found the best way of doing things. It is just as efficient as any other system. We have two engineers who visit the mines every year. We give every possible attention to this matter and, once again, I repeat that this inspection system comes under the mineral resources division. No change has therefore been made.

Mr. Peters: I knew last year that this was the case, but I had hoped the system would eventually be changed. I do not know how these divisions got named, or how these officials got there in the first place, but it would seem to me that the officials concerned with mining in the department should be in the mining division rather than in some other branch. The minister may remember that two or three other departments were involved in this question when we discussed it last year.

I am pleased that we now have two people in the other division, even though I think it is the wrong division, who are capable of carrying out supervision underground. I should like to know how long they have been doing the job of investigation. I say this because in my 15 years of working underground I never met a federal inspector, and I personally do not know of anyone who has ever met a federal mines inspector underground. We did know that the treasury sent in inspectors to check the books but I, personally, never heard of one of these inspectors, in all the years I was working in the mines, doing a physical inspection underground.

Mr. Comtois: These engineers make their underground inspections when the department feels they are necessary. The department determines when the underground inspection is required and it is then done. Otherwise the engineers do not go underground.

If the hon. member wishes advance advice of the date and the time that the inspectors will be there I can arrange to have him informed, but it is not the usual practice to inform hon. members of inspector's visits.

The hon. member has said that he never met an inspector there. This does not necessarily prove that the inspector was not there.

Mr. Peters: I worked on only one shift. He might have come to the mine on the other shift. That is perfectly true. It would seem funny to me if in the 15 years of which I have knowledge the inspector always came on the opposite shift to that on which I was working.

As a member of parliament, I do not want to know whether the inspector is in the gold mines because I am not in a position to make any contribution if I did know when he was going to be there. Charges have been made, and I have no intention of making them again.

This is a very large department and a very wealthy one as well. The jurisdiction of the minister is not a small one. It is true that you could go to some of the mines and not find any of these things taking place, but I think I could tell you of some mines where perhaps low grading or high grading is taking place. I think in other ones you could say it would be a speculative thing to suggest that. All I am suggesting is that on occasion inspectors should be called in or should be available to do this underground inspection.

I would suggest to the minister that the only real indication that this would be of some value is when the miners themselves or their representatives in their unions make a charge and are willing to document it. When that is done, there should be somebody capable of examining into the matter. I did receive such a charge from one of the organization. I communicated it to the minister and I have been informed by the people who brought it to my attention that nothing was ever done about it. I think the reason is that we really do not have the facilities or the people capable of inspecting the book work that has been done.

When the minister says that inspections have been made, I say nothing has been done in a physical way to verify this. It could only be done by an underground inspection. I am inclined to the belief that the inspectors are not trained for that type of work.

Mr. Fisher: Mr. Chairman, I did not think we would be back on this particular chestnut that we have dragged in several times in past years. I think the minister will remember one such occasion. Several years ago there was a very clear indication that the inspectors had not been underground and for some reason it was not considered very important. I remember the minister indicating at the time, and certainly in the mining press there were indications, that in raising this particular issue I was both venally suspicious and rather stupid to have brought it up. After all, the mine was a commercial organization or a commercial enterprise. It certainly would not be in the moral framework of an enterprise such as this to allow any practice such as low grading to go on.

I am not going to make any comments other than these. I would ask the minister to look at the performance of many business corporations in the past year and what has been revealed about them not only in his home province of Quebec before the Salvas commission where there have been indications of kick-backs, and so on, but also the situation with General Electric Company in the United States and many of those other indications that the business morality—perhaps it is associated with another kind of morality—is not what it should be, to underline to the minister that my colleague and I still feel that so far as this huge amount of money that is dispensed by his department under the Emergency Gold Mining Assistance Act, with which

we do not quarrel, is concerned, there is every reason to make a very complete and thorough check of the underground workings of these mines.

I had hoped that on the first item of this department I would be able to draw to the attention of the memebrs of the committee something I have drawn to their attention in discussing the estimates of several other departments. I refer to the fact that the Prime Minister has announced that he stands for a free enterprise party and that he is going to fight the next election on the issue of free enterprise versus socialism.

I want to point out to the minister that the largest votes in this department—and they are substantial, running up to $27 million—go to support private enterprise, a true indication of a mixed economy, a peculiar form of socialism. I just wanted to draw to the attention of government members that within this department again we have an example of how difficult it is to make the issue one between free enterprise and socialism. If I were to go on in this vein, Mr. Chairman, I would be definitely out of order. Therefore I should like to turn to something a little more particular, relating to the mines branch.

I think the minister is aware that the Department of Defence Production has stockpiles of certain minerals that were considered strategic. It has stockpiles of tin, antimony and cobalt. All are metals produced in Canada. As I understand it, these stockpiles were acquired as long as 10 years ago.

At the present time the Department of Defence Production is trying to sell those metals on the market. It is making disposals of tin. It is trying to make disposal of antimony and cobalt. I should like to know what liaison took place between the mines branch of this department and the Department of Defence Production when those purchases were made. What liaison is taking place now between the Department of Defence Production and this department as the stockpiles are being disposed of? Perhaps I am assuming that liaison took place when it did not take place at all. If it did not, I can only think that this would be peculiar. If this is the branch that has the special knowledge of what goes on in the mining field, and must have some knowledge of the market, I would presume that it would be no less capable of advising when stockpiles should be put on the market. I should be very interested in hearing from the minister on this particular point.

There is one other matter that I should like to ask about. The hon. member who speaks for the Liberal party may have brought it up but I doubt whether he did. Earlier this session a proposal was brought before the committee on railways, canals and telegraph lines dealing with the location of a railroad development up in the minister's area of Quebec. There was much discussion in that committee about the location of the smelter and the refinery which would process the ore from this big new field that has been opened up. Can the minister indicate whether his department, and specifically this branch, has given any advice as to the best location of this particular development namely, the smelter or the refinery. I understand there is considerable competition between different localities in Quebec particularly with respect to the location of the refinery. I should like to find out just what role the minister's branch would play in a field such as this in making sure that the wisest possible decision is taken.

Before the minister tells me that this is a decision that would be taken by private enterprise, may I say that I am sure there are government considerations involved. I imagine that the Quebec government has some views in the matter and I would also imagine that the federal government would have some views with regard to location. I think the minister is aware that the people in the actual area of the mines would be very pleased if the refinery were established there. I know that the argument against the establishment of the refinery there is that the quantities of hydro power required and the location of the market are such that the refinery should be at tidewater. These are all economic and market factors that enter into the matter of location.

What I should like from the minister is some indication as to his views as a minister from Quebec who is interested in this field with respect to where the refinery is going to be established. I should like to know whether he has any views on the matter and what his department is doing with regard to it.

I come to the last point on which I want to touch relating to this branch. Last year on the estimates I made some remarks about the views of the Canadian Metal Mining Association with regard to research. I expressed the opinion that as I interpreted a press release I had seen in the newspapers the Canadian Metal Mining Association felt that the industry could take care of its own research in this particular field. Subsequently I had a letter from the managing director of the Canadian Metal Mining Association, Mr. V. C. Wansbrough, setting me straight.

There was a very interesting part in the letter in which he advised me that one should not put too much credence in the newspapers for, as he said, "We are bound to confess that their reports act sometimes as a distorting medium". It was that very

lucid, apt and correct comment that made me feel he was quite correct in the point he made to me that at no time has the Canadian Metal Mining Association made representations to the government that they did not want the department to be active in research in the particular field of metal mining. My remarks are not in the nature of an apology but just to put the record straight by indicating that as a result of a press report I misinterpreted their position.

With respect to research I should like to ask the minister if he can tell us how the mines branch is coming along in carrying out the recommendations that were made two years ago by the mines, forests and waters committee about expansion of its activities. These sum up fairly well the questions I want to put to the minister. I hope he is in a position to answer several of them now. If he is not, I would appreciate a reply by letter.

Mr. Comtois: Mr. Chairman, I will begin by going back to the question of inspectors. The hon. member for Timiskaming referred to the experience of the inspectors. I can tell him that one of them has 17 years' experience in mining, five of which were in gold mining. The other inspector has about 25 years' operating experience in mining; previous inspectors have also had long experience in the mining industry. We are very careful to have experienced men for inspection purposes. There would be no point in doing otherwise. It is perfectly useless to have inexperienced inspectors going into mines and to expect that such inspectors would make an accurate report.

Mr. Peters: May I ask a question? Approximately how many working days did they spend in underground operations last year?

Mr. Comtois: We do not have that information available here but I will provide the hon. member with the answer as soon as I can get it. The hon. member for Port Arthur referred to stockpiling and the matter of liaison between my department and the Department of Defence Production. He referred to liaison on the part of my department with regard to the question of timeliness in the disposal of stockpiles having regard to current prices and marketing opportunities. Our advice is sought at the time but the decision is taken by the Department of Defence Production. We do not have to look after that matter. It comes under the authority of my colleague. As far as we are concerned, we give advice. We give the information that is required but the sale or disposal of these materials is not our concern and does not come under our authority.

The hon. member referred to the zinc refinery in Quebec. I will not deal with what the hon. member said about my province. There is no point in bringing provincial politics into the matter. I know that the hon. member likes to do that. He likes to play in muddy waters. It has become more or less a habit for him, and all members of the house know how he likes that. He is not going to drag me into it because it is not my business. The same principle applies to the question of the zinc refinery in northern Quebec. When a company decides to proceed with the building of a refinery the only thing it has to get is a permit from the province. We do not have to interfere. It is a provincial matter and at my age I know how to mind my own business.

Mr. Herridge: Mr. Chairman, I have three or four simple questions to ask the minister on this item because I have always been interested in the relationship between mines branch research and private industry. Can he tell the committee who decides what projects will be undertaken? Are they a matter of decision for the mines branch officials alone or do they take advice or suggestions from private industry? Do employees of private industry spend some time in the research section of the mines branch and, if so, under what arrangements? Are the results of research provided gratis to private industry wherever it may be? Does the department ever obtain any patents based upon the results of research that is undertaken?

Mr. Comtois: Before answering this last point, Mr. Chairman, I should like to refer to the question about inspectors asked by the hon. member for Timiskaming. I did not have the information when he asked his question. I wish to inform him that our gold mines inspectors made spot investigations this year amounting to 13 underground inspections out of 40 mines inspected to date. Each underground inspection takes about half a day. I hope this answers the question raised by the hon. member.

Mr. Peters: We are very glad to hear this, Mr. Chairman, and I presume the record is better than it has been in the past. We are grateful to the minister for what has been done. I think those mines that need this assistance badly are interested in seeing that it is given on an honest basis. I think they will appreciate these inspections.

Mr. Comtois: In order to complete my answer, I might add that two inspectors go underground at the same time, not one inspector alone.

Mr. Dumas: In view of the fact the hon. member for Port Arthur mentioned my name

in respect of the zinc refinery in northwestern Quebec, I think I should say a few words. I did not intend to speak on this subject today. First of all, the refinery is not in my constituency. I knew the hon. member for Chapleau would mention it because it is in his district. The people of my district know my stand on this question. I am one of those who wish sincerely that this refinery could be established in northwestern Quebec. There are few people who know why this refinery many not be built in northwestern Quebec.

First of all, there is the question of hydroelectric power. People who know the situation realize that it takes a large amount of hydroelectric power to operate a zinc refinery. Unfortunately, very unfortunately indeed, hydroelectric power could have been developed in northwestern Quebec some years ago but it was not developed. This is water under the bridge, and it is no use crying now. I am sure the present government in Quebec will see that hydroelectric power is developed in the near future, and I think there will be enough power to permit such installation as a zinc refinery. We know that this will take perhaps five years' work on the Nottaway river.

Then, there is the question of by-products. Are we going to let these by-products go to waste or are we going to try to use them? These are very important questions. I still hope that a refinery can be built in northwestern Quebec. However, I do not believe it is the business of the federal government to try to influence the provincial government on this question. This is not the business of the federal government, it is the business of the provincial government. If the refinery were to be built, let us say, south of the border in the United States, then the federal government would have something to say. If the refinery were to be built to refine Quebec zinc in the maritimes, perhaps the federal government should say something about that and perhaps should insist the refinery be built in Quebec. But under the circumstances, there is no reason at all for the federal government to interfere with something which is really a provincial matter.

Now, a refinery will be built in Quebec. We are sure of that. However, people with knowledge of the situation realize that there are circumstances which sometimes prevent us from going ahead with a project. This is the case. In view of the fact that we do not have enough hydroelectric power in northwestern Quebec, and we will not have enough for the next four or five years for such a project, we cannot go ahead with it now. This is the situation.

[Mr. Dumas.]

Mr. Comtois: I should like to answer the question asked by the hon. member for Kootenay West in relation to how we make the decisions about our research projects. I can say that there are two types of research projects: short term and long term. The short term projects are generally undertaken at the request of the industry. The long term projects are generally undertaken on our own decision.

In so far as patents are concerned, I may say that we do apply for them when we feel an invention might be useful to Canadian industry. Does that answer the question?

Mr. Fisher: I just wanted to say that I do not know whether I should be hurt by the minister's reference that I was trying to muddy the waters. I was trying to appeal to him, as one of the four or five lions of Quebec, in order to ascertain whether or not he had any views on this particular matter. I take it he has none, and he is not really interested in where this particular refinery is located. This is really all I was trying to ascertain.

Mr. Comtois: May I interrupt the hon. member, Mr. Chairman? Evidently he did not hear me this morning when I answered the hon. member for Villeneuve or he would have known that I gave my opinion on that question. I said that I would be very pleased if we had a refinery in the province of Quebec. However, so far as influencing the choice of a site is concerned, I said that it was not my business.

Mr. Fisher: I am sorry I forced the minister into being redundant through my absence. I wonder if he would answer my question about the extent to which the mines branch has gone toward achieving compliance with the recommendations made two years ago by the mines, forests and waters committee concerning an extension of its operations?

Mr. Comtois: I must say that in that respect the department has not achieved compliance with the full recommendations of the committee. That is what he is referring to, I think. The staff has been increased but not to the extent recommended by the committee. I could give some figures which the hon. member will find on page 43.

Mr. Fisher: I will not ask the minister for figures. I wonder whether he can tell me what difficulties there have been in connection with implementing the committee's report? It is really not the details with which I am concerned. As a member of the committee, I am interested in knowing how departments manage to move or not move along to the recommended goals. I should like to know

about it from that point of view rather than with regard to specific numbers.

Mr. Comtois: I think I understand now what the question is. The difficulty is this. We are prepared to extend our staff and wish to improve our efficiency but there is a problem of space. We are looking for space. I know that some of my executives are making a study of the matter and are trying to find out where we could place the extra staff we need and intend to recruit. It is not only a matter of hiring them. We must find accommodation for them so that we could get added efficiency. Part of the mines branch will soon be moved into the green belt area. Once this move is made, space will be available in the mines branch building on Booth street so that more people could be accommodated and follow the recommendation of the committee two years ago. It is not always realized what our problems are. Many factors contribute preventing us from going as fast as we would like to go.

Mr. Carter: I have one question. I am not sure whether the minister has any responsibility in this matter. However, I wonder whether he can give the committee any information about the steps that were taken, I think a year ago, to offset the radiation hazard in the fluorspar mine in St. Lawrence and, if so, how these arrangements are working out.

Mr. Comtois: I presume that the question is in connection with the fluorspar mines in Nova Scotia—

Mr. Carter: No. The fluorspar mines in Newfoundland.

Mr. Comtois: There are some fluorspar mines in Nova Scotia. The hon. member refers to those in Newfoundland?

Mr. Carter: Yes. The trouble was that a very severe radiation hazard was discovered in those mines and they were closed down for some time because the miners refused to work there. Then some arrangement was worked out to make those mines safe. I understand some system of monitoring was to be set up whereby the miners themselves would have some way of knowing whether or not those mines were safe. I just wondered what had taken place.

Mr. Comtois: As far as my department is concerned, we have nothing to do with the matter. It might concern the health and welfare department or, as far as radiation is concerned the atomic energy control board. However, we cannot deal with that problem directly.

Item agreed to.

Geographical branch—

222. Administration, operation and maintenance including the expenses of the Canadian board on geographical names (formerly under surveys and mapping branch administration) and a grant of $500 to the Canadian association of geographers, $500,626.

(Translation):

Mr. Dumas: Mr. Chairman, could the minister indicate how many geographers will actually be employed during the summer on the systematic study of land uses in Canada?

Mr. Comtois: About ten, Mr. Chairman.

Mr. Pigeon: Mr. Chairman, I just want to say a few words with regard to an editorial published in *Le Devoir* on Monday, July 6, 1959, over the signature of Pierre Vigeant, in which reference was made to a brief presented by the «Conseil de vie française», and I quote:

—in the brief of the «Conseil de vie française», we find the following paragraphs:

"We note with regret that (a) the hydrographic maps published by the hydrographic service of the Department of Mines and Technical Surveys are published only in English;

(b) the topographic maps published by the topographic survey section of the same department are also in English only. Up to 1950, the legends of those maps were bilingual, at least for Quebec;

(c) the geological reports of that department are published in English only. Bilingual editions were published until 1916. From then on to 1950, they were publicized in both languages in Quebec only. Since 1950, they are exclusively written in English."

May I ask the minister whether he is considering the possibility of publishing hydrographic maps, topographical maps and geological reports in both languages?

Mr. Comtois: In reply to the hon. member for Joliette-L'Assomption-Montcalm, I might say that topographical maps, are now printed with bilingual legends. I wonder whether the hon. member is aware of the nature of a topographical map. He will find that there are very few indications on the map itself. The important thing is to have bilingual legends. The legends of all our topographical maps are now bilingual.

With regard to hydrographic maps, the work, is already under way, but the problem is slightly different.

Some time ago, a Quebec newspaper reproduced part of a map of Pointe-au-Père, Quebec. It is a map for the use of pilots. I was criticized for not having published this map in both languages and without bilingual captions, and the paper said in particular as

an example that "Father's Point" was mentioned instead of Pointe-au-Père, complaining that in the province of Quebec, the department published only one map for the pilots and that it was printed in English only.

They had not taken the trouble to inquire about it, otherwise they would have realized that those shipping maps are used not only by the Quebec-Pointe-au-Père pilots, but by the pilots of all the shipping companies of the world which do business here and have to use those maps.

Before changing anything in the names on those maps, we must first make some arrangement both with the British admiralty and with the shipping companies, or with the navy departments of the various countries. We must make sure there is uniformity between the Canadian map and the others.

One must realize that it takes time and that, though we try our best, we cannot print bilingual maps and make the necessary changes on the existing maps before notifying the various countries that do business in Canada.

That article had bitter criticism for the department and myself in particular, for it said that I did not care about bilingualism. It is quite unfair to me. They say those things without going to the trouble of checking the situation. It would be easier and more plausible and fair to inquire first on what seems to be an anomaly.

I can assure the hon. member that our topographical maps have bilingual legends and that our geological reports that are of general interest for the country are published in both languages. As for our reports that are of interest for the province of Quebec, they are always published in both languages, and are issued simultaneously. To sum it up, there has been considerable progress in that field.

(Text):

Item agreed to.

224. Construction or acquisition of buildings, works, land and equipment, $493,050.

Mr. Peters: Mr. Chairman, I wonder whether the minister has anything to add to what was said last year about what the government has been doing in this field in relation to the study of sun spots and the aurora borealis. What work are our laboratories doing in this field? Are we increasing our observatory equipment? Is there any contemplation of installing new equipment this year?

Mr. Comtois: The aurora borealis is studied by the defence research board. If we are called upon for advice or information, we are pleased to co-operate, but this matter concerns the defence research board.

Mr. Peters: The statement was made not very long ago by the head of the largest observatory in England that the equipment they were using was not of sufficient strength to pick up some of the objects which should now be under observation. He said they were in dire need of new equipment; the only way they could keep these objects, satellites for example, under observation was by being told what the course was going to be from time to time.

The head of the observatory said they were in great need of further equipment and, as far as they knew, at that time they had the best equipment in the world. I am wondering whether we are in any way trying to keep up with the needs of the day as expressed by the head of the British observatory. If so, are we contemplating building any large, electronic telescopes and other equipment for this purpose?

At one time it was reported that Canada had a fairly up to date and competent observatory. I am wondering whether improvements are being made so that we stay in this position in this field.

Mr. Comtois: We are always trying to improve the equipment we have. We are not in competition with Great Britain, but we are trying to keep our equipment up to date.

Every year we ask for new equipment to be built and improvements are made every year, but it improves not as fast as we would like to see it improve. Last year we built the radio telescope in Penticton and as I mentioned earlier, we have another 48-inch telescope in Victoria. In Ottawa we are improving our facilities in the observatory by installing electronic and other devices.

Mr. Peters: Do we carry out regular tracking of satellites and other phenomena? Do we do this from the dominion observatory and correlate the reports that are submitted from other observatories on the continent and across the world? Do we now have facilities for communication between these observatories in order to maintain our share of a world-wide observatory system?

Mr. Comtois: Yes, we do track satellites; we do as much as we can in this field. We collect and compute all the information which is obtained from other observatories in the world. We gather up this information. Dr. Petrie in Ottawa gathers the information and publishes reports.

Mr. Fisher: Mr. Chairman, I want to ask the minister how this particular observatory in its tracking system in so far as satellites are concerned is working with the defence

department. I am interested in the whole question of defence from missiles of various kinds.

I know this may sound fantastic, but there is speculation that space platforms may be built, or that satellites from which attacks may be made, may be sent into space. I am wondering if there is any intention of building up the dominion observatory so that in time it can be part of the whole space study program with defence research aspects to it?

It is quite apparent that if the Russians can put a man into space and have him circle around the earth, and if observatories are involved in the tracking, and if they can land that man from space within a very small designated area, this is one form of possible attack that we may face.

THE ROYAL ASSENT

Mr. Deputy Speaker: I have the honour to inform the house that I have received the following communication:

Government House, Ottawa
1st June 1961

Sir:

I have the honour to inform you that the Honourable Patrick Kerwin, Chief Justice of Canada, acting as Deputy of His Excellency the Governor General, will proceed to the Senate chamber today, the 1st June, 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,
E. Joly De Lotbiniere
Assistant Secretary to the
Governor General

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, the Deputy Speaker with the house went up to the Senate chamber.

And being returned:

(Translation):

Mr. Deputy Speaker: I have the honour to inform the house that when the house proceeded to the Senate chamber, the deputy of His Excellency the Governor General has been pleased to give in Her Majesty's name the royal assent to certain bills.

(Text):

Royal Assent

An act to implement a convention between Canada and the United States of America for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on the estates of deceased persons.

An act for the establishment of a national design council.

An act to authorize certain amendments to the agreement made under the Coal Production Assistance Act with Bras d'Or Coal Company Limited.

An act respecting the vocational rehabilitation of disabled persons and the co-ordination of rehabilitation services.

An act to amend the Farm Improvement Loans Act.

An act respecting Co-operative Life Insurance Company.

An act to amend the Representation Act.

An act respecting Canadian Pacific Railway Company.

An act to amend the Criminal Code (Race meetings).

An act to amend the Fisheries Act.

SUPPLY

The house in committee of supply, Mr. Morton in the chair.

DEPARTMENT OF MINES AND TECHNICAL SURVEYS

224. Construction or acquisition of buildings, works, land and equipment, $493,050.

The Acting Chairman (Mr. Morton): 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 7.30 p.m.

The Chairman: Shall vote 224 carry?

Mr. Fisher: Mr. Chairman, when the knock came on the door I was in the process of asking the minister about the role the dominion observatory plays now in terms of matters of space and the role it might conceivably come to play as part of our defence tracking system. I wondered whether the minister had any information on that point.

Mr. Comtois: In answer to the question of the hon. member for Port Arthur, I would like to say that our department has no direct responsibility in this matter but in areas where we can be useful we do undertake work or projects to assist in defence endeavours. With respect to gravity, for example, if some particular information is required by the defence department we produce the figures and provide the department with the knowledge we already have or we get the information needed.

Mr. Fisher: I want to draw the minister's attention to a correspondent of the department and particularly of the observatory, a Mr. James Hills of R.R. 2, Allenford. I do not know whether he has communicated with all members of parliament but I have certainly had several communications from him with relation to some doubts he has about certain drawings provided him by the Department of

Mines and Technical Surveys. It would seem to me from the reply I received from the public relations officer of the observatory that the observatory had assumed that it was most difficult to put over the facts of the case with Mr. Hills. Perhaps I can give hon. members an idea of how difficult it may be to get information across to Mr. Hills. I read from one of his publications in which he says:

> I think there is a way of making the moon come down. None of those theories by scholars about momentum, gravity or centrifugal force will stand up to much study.

This is a sample of his approach to things, but this is the question I want to ask the minister. When people in the scientific field take objection to the information that is supplied to them, how far does the agency go in trying to provide an answer or do they just write off the whole matter? It seems to me that the replies that have gone out from the observatory are perhaps extremely brief when you consider the lack of knowledge that this man seems to have. Does the minister get many queries such as this from people who cast doubts upon the accuracy of the scientific information of the department? How far does the minister go in replying to them?

Mr. Comtois: We receive many inquiries, of course, about different matters relating to the observatories. Many inquiries are received but it is not always easy to answer. In replying we cannot give a course on gravity or seismology or disciplines of that kind. It is not very easy to answer when scientific matters are involved. I am sure the hon. member will agree. If a straight question is asked on a specific matter we give the information forthright. I see the hon. member is laughing. Possibly he wants to have a laugh at my expense, but I take it in the same way as he has put the question.

Item agree to.

General—

228. Polar continental shelf project, $1,553,595.

(Translation):

Mr. Dumas: Mr. Chairman, some time in March 1961, the Minister of Mines and Technical Surveys made a statement concerning the expedition to the polar shelf and he then said that certain officials of his department were making arrangements to go there.

I wonder if the whole group is now in the polar shelf with a view to conducting the survey to be made.

Mr. Comtois: Yes, Mr. Chairman, the whole group has been there for several weeks. Some 70 men are there and have undertaken their survey.

[Mr. Fisher.]

Some may have come back since then and others may have joined the party. Every so often, changes have to be made. It may happen that when an employee or an official specialized in one branch or another has completed his work and collected all the information he needs, he is replaced by another specialist to do a different work for the same survey project, at the same place. So there is a certain amount of rotation of personnel. However, I might say that the team has been there since the end of March.

Mr. Dumas: Could the minister give us the approximate date when the 1961 work program will be completed?

Mr. Comtois: At the end of August or early September. The last men on our team over there will come back, I think, in early September because that is when winter almost sets in over there.

I do not know if this may be of interest to the house, but I should say that I received tonight from Dr. Beal, who is in charge of an expedition, a report concerning the activities of his team. I then learned that one of his men has been attacked by a polar bear inside the camp; part of his arm—I do not know exactly what term to use—was gnawed away, so to speak, by a polar bear. He is now in hospital. I wanted to report this to the house in order to inform you of the dangers facing those men. In fact they are armed and they carry with them all the necessary equipment to meet any contingency. That goes to say that those expeditions in the Arctic require well trained men who can occasionally take a risk for the progress of science and for the efficiency of the service to which they belong.

(Text):

Mr. Pickersgill: I wonder if the minister could tell us whether or not his particular friends, the Autair company are still engaged in activities on the polar shelf?

(Translation):

Mr. Comtois: Mr. Chairman, I would certainly answer the member for Bonavista-Twillingate by saying that the Autair Company was awarded that contract. I could not say whether those reports are accurate; therefore I would not be able to appreciate their efficiency because there are so many factors involved.

(Text):

There are so many questions that may be involved; so many things may happen in the course of the work, that it is not the easiest thing to arrive at any conclusion. The reports we have are satisfactory.

(Translation):

I feel, Mr. Chairman, that I should bring a correction to some statements made in this house quite recently concerning our helicopter contract for the continental polar shelf

exploration project. I refer to what the hon. member for Laurier (Mr. Chevrier) said about our contract awarding system.

Serious criticisms were levelled against us. The hon. member for Laurier took me to task, as a minister, to reprove the policy we have followed—that is not to call tenders for such contracts.

We invite quotations from the air transport board which comes under the Department of Transport. We establish the cost of the operation for each firm, or the cost of transportation of material, from the point of departure to distribution. Aircraft such as the Bell and the Sikorsky must be dismantled before being shipped to site on heavy cargo planes and re-assembled once they have reached destination.

Our policy is not to call tenders, and it is the same as that which was established seven years ago, that is before I took over and before the present administration came to office.

Therefore there have been no changes.

I regret that the hon. member for Laurier is not at his place now, but on the other hand I was not here when he made his remarks and my answer is not any more severe than the attack he levelled at me. As a matter of fact, I am surprised at the attitude of the hon. member. He stated that the procedure I have followed is entirely inadequate and that he disapproves of the system of not calling tenders for such work.

I just said that we followed the practice introduced in 1954 and I am surprised that he said in this chamber that the method was inadequate, because when he was minister of transport in 1954, he preached an entirely different doctrine. He was against the principles of calling for tenders, and that year—

Mr. Pickersgill: What date?

Mr. Comtois: I will give it to the hon. member. The hon. member for Laurier made his statement here on March 28—

(Text):

Mr. Pickersgill: The date I wanted from the minister was the date in 1954 when these contracts were given without asking for tenders.

Mr. Comtois: I think it was in February, 1954. I can check on that; I have some means of checking the exact time.

(Translation):

At that time the then minister of transport, Mr. Lionel Chevrier, complained to the minister of mines, the Hon. George Prudham, for having called tenders. He was blaming him for having disregarded the instructions given by the government, and for not following the procedure, which we have since then been following. The proof—I have to give proof, for the hon. member has reproved that practice which was the exact opposite of what he was preaching—is that on February 25, 1954 he wrote the following letter to the then minister of mines, Mr. Prudham:

(Text):

Honourable G. Prudham,
Minister,
Department of Mines and Technical Surveys,
Ottawa, Canada.

My dear colleague:

A number of instances have recently arisen where departments have called for and received tenders for commercial air services which were not in accord with air carriers' licences or with their publicly filed tariffs. This is creating considerable embarrassment for the air transport board and is raising difficulties within the industry itself.

This situation is, no doubt, due to the usual changes in personnel of government departments.

The public filing of air carriers' rates have been incorporated in the Aeronautics Act to ensure fair treatment of the public and to avoid the unethical rate-cutting that injured Canadian aviation in the 1930's. The Post Office is the only exception since by statute it may set its own rate of payment.

Some years ago it was found that a number of government departments did not understand this legal position and were calling for tenders for air transportation from commercial air carriers within Canada. This encouraged the air carriers to tender on services which they were not licensed to perform or at rates which were not in their filed tariffs and, therefore, not valid rates.

To correct this situation, the attached cabinet directive No. 12 was issued to all departments in 1949 pointing out that any department wishing to purchase commercial air services could obtain full information regarding air carriers licensed to perform the services required and the legal rates of such air carriers from the air transport board. The cabinet directive established that the tender procedure should not be followed by government departments in this field, except in specialized cases such as aerial photography and surveying or other types of specialty service where the provision of transportation is not involved and where air carriers have not been required by the air transport board to file tariffs.

Because of the situation that has developed, it would be appreciated if your deputies would draw the cabinet directive to the attention of your purchasing staff and other appropriate departmental personnel.

I have a copy of the instruction or the cabinet directive.

Mr. Pickersgill: That is fine.

Mr. Comtois: So my department has followed exactly this cabinet directive.

(Translation):

I fail to understand why the hon. member for Laurier blames me for following the instructions issued by the cabinet at that time when he urged his colleague to comply with

them in 1954 and then criticized him for not doing so.

There is something wrong here. There is a lack of understanding, an oversight. I do not know. Is it because the then minister of transport, now the member for Laurier, is taking a different view of the matter since he has been on the other side of the house? Maybe.

Well, here are the facts, and there can be no mistake about that. We have acted on the instructions of the cabinet on every point and they have not been changed since that time. We are proceeding in exactly the same way as last year, and two years ago, and I have no reason to believe that a change will be effected in the future. This is the usual procedure followed in the department.

The hon. member for Laurier also criticized our attitude saying that we had failed to award the contract to the lowest bidder. Now, this is just not so, because we have worked out the price of the contract. This is what the hon. member said in his speech of March 28:

(Text):

I state that it—

That is the contract.

—was given without the calling of tenders... In this case the minister, for some unknown reason,—

(Translation):

You will note, Mr. Chairman, the words chosen by the hon. member.

(Text):

—decided not to call for tenders... and simply awarded the contract on the basis of information obtained through the filing of tariff rates.

(Translation):

What comments on my part is the house expecting? The explanation is there. I gave the reason, and I have no other to offer. The contract was awarded to the company which had filed its scale of charges and duly submitted them and which according to the estimates of the officials of the department, was offering to do the work for the lowest price. As a matter of fact, according to our estimates, the price represented, for the scale of charges only, a difference of $25,000, in favour of the Autair Company, as compared with the other tenderers.

Consequently, I feel the explanation I have given justifies to a degree my attitude, and I wanted to correct unfair statements made about me by the hon. member for Laurier.

(Text):

Mr. Pickersgill: Mr. Chairman, what the minister has said is, of course, very interesting and perhaps we should not blame the minister for the fact that he was not here prior to 1957, and that he did not know that his present colleagues, when they were over here on this side of the chamber, advocated a policy of competition in this field instead of the policy that was followed by the previous Liberal government and promised to bring that policy of competition into effect. In some respects they brought that policy of competition into effect and have done great harm to the air industry in doing so. I think the present Minister of Transport is trying to correct some of the mistakes that were made in this regard by his predecessor who is now the Minister of Trade and Commerce. What the minister is saying is that he followed the old Liberal policy and that he did not follow the policy of his colleague the Minister of Transport. That is what he is saying.

That is very interesting, because at the very time these contracts were being let the minister will recall that the Minister of Trade and Commerce, who was then the minister of transport, was creating chaos in the air industry by this new policy of competition in this field. It is hard to understand why this new policy of competition which was applied everywhere else should not have been applied to the polar shelf. This was the Tory policy that was going to correct the mistakes that had been made by the Liberals. The minister boasts that he did not follow it but rather stuck to the old Liberal policy because it was the better policy. We are flattered that he should say that. However, it is very odd that he should be saying that when his colleague, the present Minister of Trade and Commerce; was boasting about how he was introducing competition into this field.

There is another aspect of the minister's explanation that strikes me as being a little bit odd. The minister says that the reason why there was no sense in calling for tenders was that they had to file tariffs and the tariffs had to be fair. But then he also told us that Autair's submission which was not a submission—if you understand what that means, Mr. Chairman; it is like "Alice in Wonderland", a submission which was not a submission—of $25,000, if I remember the minister's statement correctly, was lower than anyone else's figure. How could it have been lower if the tariffs were the same for all of them and the minister was merely selecting the firm that could do the job best? How could one be cheaper than the other? It is hard to understand that. If there were not tenders, how does the minister explain this so-called saving of $25,000? His explanation, to a simple person like myself, does not make any kind of sense at all.

First of all the minister says he did not follow the new policy of his government; he followed the old policy laid down by my hon. friend from Laurier, which we think was a better policy, of course. But then the minister

says, notwithstanding the fact that he followed the old Liberal policy and did not ask for tenders, he still got a cheaper price from Autair than he would have got from any other company.

I do not see how that would have been possible if they all had to charge the same price and adhere to the tariffs. Surely the minister will have to explain to us where this saving of $25,000 came in, because from the explanation the minister has given, it does not seem to me to make any kind of sense at all.

We know of course, from information the minister gave us last year, that certain tariffs were filed and the minister reached a conclusion that this company was the best company to do this job. We have also got information—I am sorry to say I have not had time to look it up—given in answer to questions, that this company has the worse accident rate of any company in the industry.

Is that the basis on which the minister chose this company as the most competent one to do this job? It seems to me that if all of them charge the same price it is odd that the company that has the worst accident rate, the company that had its insurance cut off on more than one occasion, should have been selected by the government as its chosen instrument. Perhaps the minister would explain that.

(Translation):

Mr. Comtois: Mr. Chairman, nothing is easier than to explain what has been going on and what we have done, unless I have to deal with someone who refuses to understand or rejects beforehand what I have to say.

First of all, the Minister of Mines and Technical Surveys has nothing to do with rates. Those come under the jurisdiction of the A.T.B. and, therefore, of the Department of Transport.

What we insist in knowing is whether a company had its rates approved and those rates are liable to change.

A company submits its rates to the A.T.B. in order to have them approved. Another company might submit other rates. They also have to be approved.

All those companies are class 4 companies, which means that they have to submit their prices and rates for approval.

It is not the duty of the Department of Mines and Technical Surveys to ascertain whether such a company has filed new rates, whether those were approved, whether objections were raised or not, whether the company is insured or not. That is not our job.

What we must know from the air transport board is whether this company is in good standing or not, whether it carries insurance, and whether, according to the board, it offers the required guarantees for carrying out the contract.

If we have these guarantees, our responsibility is all the more reduced.

We then compute the costs based on the rates and on the costs of transporting the equipment, what we call "positioning" and "depositioning", that is the dismantling of the aircraft before the transport operation and the reassembling of it when it has reached its destination.

There are instances—and of this the hon. member is not aware and I fully understand his ignorance in the matter—there are instances where a company may have an opportunity to have its transportation done (what we call positioning and depositioning) in the Arctic at a better price than another company.

As anyone knows, at least anyone familiar with the procedures followed in such work, Sikorsky or Bell planes are used for such conveyance. And it is known also that in that field the competition among the different companies is keen. It is for them a matter of prestige, of competition and of getting contracts.

They make their bids, watching one another closely. Sometimes they even wait until the last minute to file new rates with the board to prevent a competitor from knowing beforehand what rates they submitted.

With regard to transportation, a company may have opportunities to go there and return at the end of the season for a better price than a competitor. This accounts for its lower operating costs.

I have already answered a question on this matter put to me by the hon. member for Laurier (Mr. Chevrier).

This procedure makes it possible to arrive at the operating cost which is most economical.

First of all we want to be assured by the air transport board that the company is in good standing.

We figure out the most economical rates for us making sure that the company is in a position to provide us with the required aircraft.

If, at the end of the year, we get a bad report on the company—if, for instance, the work has not been done properly and the service has been bad, we just have to discontinue our dealings with the company.

Now, the Autair Company did an excellent job last year. We had a good report on its efficiency.

Consequently, we had no reason to ignore it this spring, and to dismiss its quotation.

The hon. member is free to think whatever he wants but that is the procedure we followed and we acted honestly.

We took the department's interests by making as much savings as possible and we hope that this year's results will be up to our expectations.

(Text):

Mr. Pickersgill: Mr. Chairman, I must say that I do not find the minister's explanation very convincing. After all, I do recall that some years ago when I was a member of the government there was a question of two companies seeking to get the business of the Department of Fisheries. It was drawn to the attention of the department—I remember this very well—at the time that there was this 1949 directive that a certain tariff must be established and must be adhered to. There was no difference in the cost as between selecting one company or the other as far as the Department of Fisheries was concerned, because the air transport board insisted that they should both charge the same tariff.

Therefore I cannot understand the explanation the minister gives at all, that they can file their tariff a little later than somebody else, file a different tariff. The only argument for having this system of filing tariffs—and it is a very powerful one—instead of having tenders is that we do not encourage people to bid below the cost or below the cost plus a reasonable profit for what they can do, and thereby neglect safety and other factors of that sort and bring chaos into the air industry. That is the only argument for having this regulatory system, which was the system that existed when there was a Liberal government.

The minister now says they file different tariffs, that the tariffs are not the same. What is the difference between that and asking for tenders? If the tariffs are different, you should ask for tenders and they should all be submitted on the same day, in sealed envelopes, so that one company does not know what the other is doing. If the tariffs are going to be established at a uniform rate, the question of service or something of that sort would be decisive. But the minister seems to suggest that different companies can submit different tariffs at the same times; that one can submit it first and the other can then find out, in some clandestine way, what the other has submitted and then submit a slightly lower one. That is having the worst of both possible worlds.

[Mr. Comtois.]

I suggest you should either have the system which existed in 1954 which the minister described, where the rates are fixed and where all you decide is which company can perform the service best for a fixed price, or the system of calling for tenders. But this sort of mixed up system the minister has described does not seem to me to make any sense at all.

(Translation):

Mr. Comtois: Mr. Chairman, I think the hon. member does not yet understand.

Mr. Pickersgill: That is obvious.

Mr. Comtois: Yes, it is obvious.

Mr. Pickersgill: Yes, it is obvious that I do not understand.

Mr. Comtois: I am at a loss to explain the situation to the hon. member, and to make him realize that the rates sumbitted to the air transport board are not all the same.

There is a date set by the board for the filing of rates. Firms may file rates, but they need not do so on a particular date. The submissions need not be received the same day. There is no set date or time as in the case of public tenders. The department informs them that rates will be accepted up to a certain date—I think that is the procedure—and that after that date, rates will not be accepted, and the companies act accordingly.

The hon. member apparently believes the air transport board sets one single tariff for all the Sikorskys, for all the Bell 47-G2's, for all the Cessnas and for any other type of aircraft. That is not the procedure followed by the board.

If the hon. member wants further information, he may, when the estimates of the Department of Transport come up, ask for and obtain all the information he wants. I do not have that information available, and it is outside my jurisdiction.

Furthermore, it is not for me to discuss the procedure followed by the air transport board. We receive the scale of charges as submitted and we proceed as I have just explained, after consulting with the air transport board.

Perhaps Autair did not have all the required aircraft. It often happens that companies quote prices or submit tenders when they do not at the time have all the required aircraft. However, exchanges can be made; one company borrows from another. Such exchanges are quite common.

If, for instance, one company tenders for a particular contract requiring the use of five Sikorskys and three Bell G-47's, it may happen that this company does not at the time have the five Sikorskys and the three Bells required. However, it can make arrangements with another firm to rent the aircraft, or it may buy new ones, as frequently happens.

It must be realized that the companies are not going to keep an unlimited number of aircraft in case they might get contracts; that would involve too great a liability risk.

As I have just said, this procedure is followed daily and is familiar to the air industry.

For that type of contracts, the companies exchange and borrow aircraft from one another. This is nothing to be ashamed of, because it is perfectly proper. Such arrangements are only natural in business and industry.

Once again, the important thing for the department is that the work be done on schedule, under favourable conditions, and that at the end of the season the program be completed.

(Text):

Mr. Pickersgill: I must say that the minister's further explanation seems to make the situation even worse, because the procedure now being followed, according to the minister, contains the worst of both worlds. The hon. gentleman says different companies can file different tariffs with the air transport board at varying times. They can file them when they like, provided they do so before a certain date. Then, after these different submissions have been filed, the Department of Transport says "eeny, meeny, miny, mo", or on a similarly arbitrary basis picks out the one it intends to take. The minister referred to the tariffs as they were in 1954. The tariffs then were uniform and the air transport board decided what tariff was proper for a particular kind of service. I know whereof I speak, because I was in the government at that time and I have some experience of these particular matters.

Once you admit that various people can file different tariffs it is obvious that the person who files first, so that the details become known, is at a distinct disadvantage compared with a person who comes along at the eleventh hour and files his tariff. This is exactly what my hon. friend from Laurier was complaining about when he said, as reported in *Hansard* on March 28, at page 3437:

> Here is my criticism of the manner in which this is being done, and I say this without any fear of contradiction. The minister may contradict it but I have it on reliable information. It is well known in the trade that notwithstanding the fact that tariffs had been filed, Autair was not the lowest of those who filed tariffs in accordance wih this policy of the minister which merits only condemnation.

It was this to which my hon. friend from Laurier was objecting, not the fact that the minister followed a system which was in existence under the previous regime. It was the fact that we have this mixed up system, if I may call it that, not tenders, but not fixed prices, which gives opportunity for just what seems to have happened in this particular case. It is notorious that this company—and this was well known to the air transport board because parliament had been told about it—has a bad accident record. This company is a fly by night outfit—I do not mean that they fly helicopters by night, because, of course, they have the midnight sun up there—but some of its operations would not have stood the light of day and it is odd that the government should have chosen this particular outfit for this job.

Mr. Dumas: Earlier this afternoon I mentioned the fact that it was encouraging to note that members of the committee are aware of the importance of this department and realize, as was evident, that the services of this government department are of great value not only to the constituencies and areas which they represent but also to the development of Canadian natural resources as a whole.

I was very sorry to learn from a newspaper dispatch of the death of a former member of this house, Mr. Walter Little, who was a member from 1935 to 1953. Mr. Little represented the constituency of Timiskaming and he was a real friend of the mining industry, of the miners and of all those interested in this important work. He worked very hard for his constituency and I can only say that we are very sorry to hear of his death and extend our sincere sympathy to Mrs. Little and to her family in their sad bereavement.

Mr. Peters: I should like to join with the hon. member who has just spoken in offering my sympathy to the family of Mr. Walter Little who represented the riding which I now represent. He was, indeed, a good friend of the mining industry. He went into the industry very early and built up a large trucking operation. His sons are now active in enterprises in that area. I wish to associate myself with the words of condolence we have just heard.

Item agreed to.

Dominion coal board—

229. Adminisration and investigations of the dominion coal board, $126,345.

Mr. Robichaud: Is the minister going to make a statement on the dominion coal board?

Mr. Comtois: Yes, Mr. Chairman. In presenting these estimates to this committee, I regret to report that the coal situation in Canada in the past year has grown more and more difficult as the competition from other fuels has intensified. It is becoming clear that the long established policy of providing assistance in the amount necessary to enable Canadian coal to meet the competition of imported coal in the markets of central Canada is no longer sufficient. The chief competition in these central markets and also in the home markets is no longer imported coal but other fuels.

It is open to question whether under the present rapidly changing competitive conditions a sound basis can be found for a long range basic policy. The royal commission appointed to investigate the industry and develop basic lines of policy has presented a report. This report has received wide comment both pro and con and, in view of this, was referred to an interdepartmental committee for study and report upon the probable effect of the specific recommendations. This committee has concluded its work and the report is now in my hands for consideration by the government. I need not tell the committee that it will be given as rapid and thorough consideration as other pressing matters will permit and I can assure hon. members that a formal statement will be issued as soon as it is possible to do so. That statement will, however, deal with long range matters, and there have been other immediate problems that have required consideration and action.

In this field, there has been the problem of closure of collieries in Cape Breton and the consequent unemployment. We have taken action on this matter as I have already reported to the house and are confident that the results will serve to avert the hardship that was facing many of our coal miners in this area.

The other immediate aspect is, of course, the continuation of support to the industry until a new and satisfactory long range policy can be worked out and applied. These estimates now before us are designed and intended to furnish this support.

Essentially, these estimates are the same as those approved last year. They continue the same high level of emergency assistance which resulted in the sale of a substantially increased tonnage of Nova Scotia coal in Ontario last year. They have been calculated on the basis of assisting to market every last ton of Canadian coal that can reasonably be sold with subvention help. This applied not only to Nova Scotia coal but also to the coal from New Brunswick, Saskatchewan, Alberta and British Columbia.

Hon. members will note that the total amount estimated for subvention assistance in 1961-62 for all the coal regions of Canada is $13,244,900. This is a decrease of $1,843,050 by comparison with the more than $15 million provided in last year's estimates.

This decrease in the estimated requirements is not, I must emphasize, the result of any reduction in the effective rates of subvention assistance themselves. The sum of $13,244,900 represents our best estimate of the amount that will be required to move from Canadian mines all the coal that can find a market. If this amount is insufficient, and with the recent provision of further assistance to maintain employment in Cape Breton, it may well be so, the house will be asked to provide a further sum in supplementary estimates.

Statements have been made referring to the amount of imported coal still coming into Ontario and Quebec. I must again point out the fact mentioned by my predecessor in 1955 as reported in *Hansard* for July 25 at page 6737, that the idea that all coal is about the same and can be used without difficulty in any plant is a basic fallacy. A plant designed to operate economically on coal with certain characteristics will not necessarily perform with satisfaction on other coals. I am informed that practically every consumer within the subvention area of Quebec and Ontario has been canvassed and that there is no large consumer in this area whose equipment can efficiently use maritime coal who is not doing so. The imports of coal into this area are largely of sizes that cannot be supplied by the Nova Scotia mines or else are of different analytical qualities or combustion characteristics and are not replaceable by the high volatile low ash fusion coals of medium to high sulphur content that are produced in our maritime mines.

In spite of these restricting conditions we have had some success in our recent efforts to assist the sale of more Nova Scotia coal in Ontario to compensate for losses in the maritimes and in Quebec. In 1957-58, only 137,000 tons of Nova Scotia coal moved to Ontario while in 1959-60, this had increased to 734,000 tons. This level was maintained in the fiscal year just ended and it is hoped that with the recently announced order from the Ontario hydro, it can be increased in the present year. The competition from natural

gas is becoming more and more severe and as coal burning equipment is replaced by gas, the opportunities to promote the movement of Canadian coal continue to decrease.

The estimates before us provide for a slight decrease in the funds for subventions for Saskatchewan lignite. This is because lignite has lost certain industrial markets to natural gas in the far western section of Ontario.

The Saskatchewan lignite industry, as a whole, is in a comparatively healthy condition. It is even optimistic of recovering in the future some of the markets it is now losing to gas; but it appears unlikely to do so, to any great extent during the 1961-62 fiscal year.

In the case of Alberta and British Columbia coal, the same assistance is provided this year as last on coal moving into subvention areas for domestic and industrial use. There has been a substantial reduction in the amount provided to assist coal moving into these same areas for railway consumption but this, of course, merely reflects the displacement of the coal burning locomotive by the diesel.

The same amount is included as was provided last year to assist the export movement of Alberta and British Columbia coal. The effort to develop a market in Japan for the coking coals of western Canada is still in the experimental stage but the developments to date have been sufficiently satisfactory to warrant continuation for another year.

There is no doubt that there is a large potential market in the steel mills of Japan for coking coal. The trials of Canadian coals to date have been satisfactory and it appears possible that our coals will be acceptable to the consumers as replacements, in part, of premium coals at present imported from other countries.

There is a very serious question, however, whether the Japanese market is one that we can afford to develop to its possible potential. It may well be too expensive to continue the present high experimental rates of subvention assistance for any lengthy period. A vigorous effort is being made at the present time to reduce costs in three directions, mining costs, costs of transportation from the mines and handling and loading costs at the shipping piers. If these costs can be reduced and if the users can be convinced that the quality of our coal justifies a higher purchase price, the present subvention rate would be substantially reduced. In view of all these uncertainties, we can only continue the experiment on a year to year basis with an open mind as to the future.

Returning for a moment to the maritimes, some increase in funds has been included in this year's estimates for subventions for New Brunswick coal from the Minto field. Generally speaking, the New Brunswick coal industry is in a healthy condition and has resumed its steady although unspectacular expansion which was interrupted by business conditions two or three years ago. The increase in subvention funds required is in line with this healthy development and will cover an expected small increase in tonnage shipped to subvention areas.

Although the Canadian coal situation is relatively healthy in New Brunswick and Saskatchewan, and although there may be some prospects for the coal industry five, 10 or 15 years from now, it would be foolish to hide from ourselves the seriousness of the present situation and the extent of the general decline of the industry over the past ten years. Let me place before you, Mr. Chairman, just a few comparisons.

In 1949 railway locomotives in western Canada consumed nearly 3½ million tons of Canadian coal. Last year they consumed 2,000 tons. The 3½ million tons burned by locomotives in 1949 provided three quarters of a million man-days of employment for the bituminous coal miners of Alberta and British Columbia. In 1960 coal production in the west for locomotive use provided 400 man-days of employment for miners, not quite enough to keep two miners busy during the year.

In 1949 and 1950 the Canadian production of coal was more than 19 million tons a year. In 1959 and 1960 Canadian coal production was less than 11 million tons a year. In 1950 Canada imported 22,660,000 tons of bituminous coal and 4,286,000 tons of American and British anthracite. In 1960 our bituminous coal imports were 11,090,000 tons or only half as much as we imported ten years ago. Last year our anthracite imports were 1,200,000 tons or just a little more than a quarter of the anthracite tonnage imported ten years ago.

In 1950 Canadian coal production of more than 19 million tons gave some 23,500 coal mine employees work for an average of 232 days during the year. To show the decline, in 1957 output of slightly over 13 million tons employed some 14,600 miners for an average of 227 days, while in 1959 the production of 10,600,000 tons provided work for only 11,500 miners for some 216 days.

Almost the only pleasant thing from the Canadian viewpoint that can be said about the reduction in employment from 23,000 to 11,500 in ten years is that the Canadian miners who did have work had more working days in their year than did coal miners in the United States. For example, the 11,500 coal mine employees in Canada in 1959

averaged 216 days of work each. In the United States in that year employed coal miners averaged 185 days.

I feel, Mr. Chairman, that hon. members would not wish me to close this statement without paying a sincere and heartfelt tribute to Mr. Wilbur Uren who served this country so well as chairman of the dominion coal board since its establishment in 1947 until his retirement on April 1 of the present year. It is probably a measure of the value of his services, especially in these past few years of crisis in the coal industry, that some sort of record was established in the number of extensions he received beyond the normal retirement age of 65. The first extensions were authorized by the previous government and the remainder by the present government. I know I can tender to him the thanks of all of us for his fine service and our best wishes in his well earned retirement.

Mr. Robichaud: Mr. Chairman, I wish to thank the minister for the statement he has just made to the committee in the presentation of he first item having to do with the dominion coal board. I noticed from his statement that the minister has realized the seriousness of the coal situation and he has admitted that the actions taken by the government so far by way of subventions are not sufficient to take care of the coal problems of the day. The minister has also referred to the royal commission on coal under Mr. Justice Rand which presented its report some time last fall. He has stated that the interdepartmental committee which was appointed by the government last fall to make a study and report on the recommendations of the Rand commission has now concluded its work and the report is now in the minister's hands. I feel that it is an injustice to members of the house, whether on the government side or in the opposition, to have to discuss the estimates of the dominion coal board when a report which would be very important in such discussions is being held up until the estimates are passed.

On February 14 I asked the minister the following question, as found on page 2016 of *Hansard*:

> Can the minister advise the house whether the interdepartmental committee set up to advise the government on the Rand report has completed its study. If so, is the minister in a position to report to the house on the recommendations made by the said committee?

In the latter part of his reply the minister said that the committee was progressing with its study and he expected that the recommendations to the cabinet would be made within a few weeks. That is almost four months ago, and it is only tonight that we have learned from the minister that the report has been completed and has been handed to the cabinet. We are called upon to discuss the estimates of the dominion coal board for the fiscal year 1961-62 and the latest information available to most hon. members is the annual report of the dominion coal board for the year 1958-59. We are not in a position to compare the estimates for the coming fiscal year with the report of the coal board for the previous year.

I notice that in his statement the minister used figures and made references to the dominion coal board annual report for the year 1959-60. I happen to have in my hands a copy of this report which was handed to me this morning. I say again that it is not fair to members of this committee that they have to discuss the estimates of the department at a time when they have to go back three years to get some information on the division of the department that is under discussion. The minister should be in a position to give us further details with regard to the information which is contained in the annual report of the dominion coal board for the year 1959-60 and which I repeat is not in the hands of most of the members of this committee.

On page 4 of this report, I find the following statement:

> Over the past decade, the decline of Canadian coal production has been nearly 50 per cent, and the decline of coal mine employment slightly more than 50 per cent, the difference representing a small increase in ability to produce more coal per man shift.

I should like the minister to inform this committee if this statement is also true with regard to the production of coal in Nova Scotia and New Brunswick.

The minister has quoted certain figures which he has taken from page 5 of this report and which are based on the calendar year instead of the fiscal year. I should like to get from the minister the number of employees in each year, and also the average days worked per year, in the Nova Scotia and New Brunswick coal mines from 1950 to 1960. The minister must have this information for Nova Scotia and New Brunswick because he has quoted from this report similar information relating to Canadian production.

There is a reference on page 4 of this report, as I have said, to the fact that the decline in Canadian coal production has been nearly 50 per cent. The facts are that from the year 1949 to 1957 the decrease in production in Nova Scotia and New Brunswick coal mines was less than 500,000 tons, approximately 55,000 tons per year. In the last two years, the decrease in production in the same area, Nova Scotia and New Brunswick, has been over 500,000 tons per year.

Mr. MacInnis: Would the hon. member permit a question? Would he mind repeating the figures on reduction in production?

Mr. Robichaud: Yes, I said that in the last two years, in Nova Scotia and New Brunswick the reduction has been approximately 500,000 tons per year. These figures are confirmed on page 39 of the annual report, a copy of which the hon. member probably does not have in his hands, although he should have it because he is keenly interested in the coal problem and the latest information should be made available to him.

Mr. MacInnis: I asked for the figures on production for the years before that.

Mr. Woolliams: Mr. Chairman, would the hon. member permit a question?

Mr. Robichaud: One at a time.

Mr. Woolliams: No, I want to ask a question. Is it not a fact that between 15 million and 20 million tons of coal about which the hon. member is talking came in from the United States during the time the Liberals were in power in this country?

Mr. Pickersgill: What has that got to do with production?

Mr. Robichaud: The figures I have quoted have nothing to do with imports into Canada. I have quoted the production figures.

On page 6 of this report, it is stated:

> In the year under review, 1959-60, total coal consumption in Canada suffered a further decline to 24,414,000 tons—the lowest consumption figure since 1933.

Further on, it says:

> It is perhaps noteworthy that the only category of coal consumption which did not show a decline during 1959-60 was the requirements of coking plants. In this case, there was a million ton increase in consumption, attributable to the high level of activity in Canadian steel plants during the year. There will almost certainly continue to be a need, probably a growing need, for metallurgical coal.

This report states there will be a growing need for metallurgical coal. The minister should give this committee further details on the expectations for an increased market for this particular coal. On what is this statement based? What is the reason for arriving at such a conclusion? The minister should inform this committee what proportion of the increase, if there was a million ton increase in the consumption of this coal in 1959-60, was met by coal produced in the maritime provinces, Nova Scotia and New Brunswick. We should also like to know from the minister, if he has this information, what quantity of Nova Scotia coal was sold in Ontario during the year ending March 31, 1961.

I noted that the report to which I have referred states that the amount sold in Ontario in 1960 was about the limit that could be reached. If I recall correctly, the minister referred to this fact in his statement. The minister has said, in this house and outside, on numerous occasions that his main hope for an increase in the sale of coal remained in the province of Ontario. I think the minister should take advantage of this opportunity to clarify this statement.

Further on in this report, on page 11, it is stated:

> In the maritime provinces there was also a sharp increase in 1959 in residual oil consumption and imports.

The minister and the dominion coal board should have information as to the quantity of residual oil which was imported into the maritime provinces in 1959. We should like to know also if the minister has the same figures for 1960.

No doubt the minister is aware of a request that was presented to the government by the United Mine Workers of America asking for a one cent per gallon increase in the tariff on imports of oil. The amount so collected could be used to protect the coal industry. We would appreciate knowing from the minister what the position of the government is with regard to this request.

Now, Mr. Chairman, it was on August 20, 1959, that the Prime Minister made an announcement appointing a royal commission to study the coal problem. In referring to the appointment of this commission, here is what the 1959-60 report of the dominion coal board has to say:

> The announcement said "the government feels the coal problem is a special one and so urgent as to require a special inquiry rather than consideration to be given as part of the general problem relating to sources of energy which is the field of investigation of the Borden commission on energy". After reviewing the additional subvention assistance provided both for maritime coal and the expansion of export shipments of western coal, the statement expressed the view that subsidies can do no more than temporarily meet the problem and indicated that recommendations to assure a long term solution would be expected of the new royal commission. Detailed terms of reference and the personnel of the royal commission would be announced at a later date.

That announcement was made on October 6 of the same year. It is very clear that the subventions have only been introduced to meet temporarily the problems indicated in the recommendations. The minister has admitted this fact in his statement this evening and he said that following the receipt of the report of the interdepartmental committee he will soon make long term recommendations with regard to a long term policy. I hope that the recommendations to be made by the minister in the name of the government will not

be delayed further. We know that as from yesterday one mine in Cape Breton has closed its doors, that another one will close on July 1, and that a third one will close on August 31 next year. It was made very clear in the Rand commission recommendation that if closures had to take place, action should be taken by the government in order to take care of the miners who were displaced by such closures. I am not 100 per cent in favour of the recommendations of the Rand report. I agree that this is not the first time that coal mines have been closed. The dominion bureau of statistics weekly bulletin for March 10, 1961 has this to say:

> Number of coal mines in operation in 1959 dropped to 133 from 158 in 1958,—

A drop of 25 in one year.

> —employees to 11,485 from 13,162—

A drop of almost 2,000 in one year.

> —and salaries and wages to $37,123,000 from $42,250,000.

A drop of almost $5 million in the period of one year.

But the fact remains, Mr. Chairman, that some action should be taken to protect these miners who are being displaced and will be displaced by the closing of the coal mine. The position of the Liberal party was made clear in this house as early as July 1, 1958, by our leader when he recommended, as found at page 1807 of *Hansard* of that date:

> (1) An intensive and comprehensive program of scientific and industrial research to find more uses for coal and help bring about expanded employment;
>
> (2) Further measures to encourage greater production and marketing including more flexible uses of subventions to move coal to markets within and without the maritime area;—

The last recommendation was as follows:

> (4) A specific and immediate plan of co-operation with the provincial governments to promote industrial enterprises to diversify the economy and increase employment opportunities.

This is a "must" if the areas affected by the closing of these coal mines are to be looked after. The government has received a number of recommendations. I have here a resolution from the Catholic clergy in the industrial area of Cape Breton with regard to the proposed closure of the coal mines. This was presented to the Prime Minister and to the premier of Nova Scotia. May I be allowed to quote just a few of the recommendations included in this resolution. The first reads:

> In view of the particular economic situation in this area and of the general economic condition throughout Canada, it is imperative that if three mine closures must come, they should be staggered over a five or ten year period.

This is in line with the recommendation of the Rand commission and with the policies which we have been advocating in this chamber since 1958. Further on the resolution states:

> Because of the relationship between scientific resource development and industrial progress in this region, we strongly recommend the establishment of permanent research facilities for the three important industries of coal, forestry and fishing.

This again is in line with what we have been urging in this chamber for the last three years. Further on we find this recommendation:

> Long term incentive legislation, to be established by the federal government for attracting secondary industry in the Atlantic region should receive determined support at all government levels.
>
> Similarly, support should be given to the setting up of a capital projects commission for hte Atlantic region.

The position of the Liberal party on this particular recommendation is well known. The last recommendation is as follows:

> The improvement of our economic situation demands the utmost co-operation between labour, industry, the various levels of government and the public generally. To this end we pledge our entire resources and good-will. We strongly feel that there is hope for the future of this area, if these recommendations are implemented forthwith, but we also emphasize that this hope is seriously endangered by a policy of premature and drastic closures.

I have here the Halifax *Chronicle-Herald*—

Mr. MacEwan: Will the hon. member permit one short question at this point?

Mr. Robichaud: Yes.

Mr. MacEwan: Can he advise the committee of the names of those who signed the resolution or the petition to which he referred?

Mr. Robichaud: I do not have here the signatures on the resolution, but a copy bearing signatures was presented to the Prime Minister and I think it has been referred to in this house in questions which were addressed to the Prime Minister asking if such a resolution had been received.

Mr. Browne (St. John's West): What date was it?

Mr. Robichaud: I have not the date here but I know I can get it. The resolution has been presented and questions have been asked in the house. When I take my seat I think I can find out and give the minister the information.

I have the Halifax *Chronicle-Herald* for Wednesday, May 31, in which we find the unfortunate news: "Displaced Miners Register with Unemployment Insurance Commission Tomorrow". That is the subheading which appears under the main heading: "Curtains for Caledonia". I will not refer to that part

of the news but further down we find this. I mentioned the resolution which was presented by the Catholic clergy from the Cape Breton area. This item has as its title: "Bishop Urges Churchmen Remember Miners Plight". It is dated from Sydney and it reads in part as follows:

Deep concern for the people affected in the coal mine closures and a call to the church to recognize its responsibilities to its people in their need, was sounded Tuesday by Rt. Rev. R. H. Waterman, Bishop of Nova Scotia, in his charge to clergy and laity meeting in the shadow of the province's economic crisis for their annual synod.

"We cannot remain indifferent or unconcerned about the welfare of our brothers in this populous area of our province and our diocese," Bishop Waterman said, "Our deepest concern, in this and other areas is lest people should be forgotten in a concern for profits."

There is set out, then, the recommendation which I will not take the time of this committee to read. It shows the grave concern of the areas which are affected following the closure of these mines.

I have here a copy of a telegram which was addressed to the Prime Minister under date of May 24, 1961. This telegram is signed by mayor R. F. Gilroy and A. J. Mason, chairman of the citizens' committee of the town of Springhill. I think it should be placed on record because it has to do with the displacement of coal miners. It reads as follows:

Sir, according to press reports, you and your government are prepared to take immediate action to alleviate the economic depression which is bound to occur in Cape Breton as a result of the proposed closures of mines by the Dominion Steel and Coal Corporation. Such action on your part is commendable indeed. Evidence of the priority which you are prepared to give to this important matter is the fact that the special committee appointed by you consists of no less than five ministers of cabinet rank. This committee is working in conjunction with Charles Vaughan who has been specifically appointed by premier Robert Stanfield to deal with the same matter. In view of the fact that a special delegation from Springhill recently presented a brief to some of those same cabinet ministers regarding the deplorable situation existing in Springhill also resulting from Dosco's closing of all our mines here over four years ago, our citizens in Springhill are disappointed that you did not see fit to take similar action during 1958 and 1959 on behalf of the then 900 unemployed miners of this community. We respectfully submit that a first priority for economic relief of distressed communities in Nova Scotia should be given the Springhill area in order to fulfil the assurances regarding the economic rehabilitation of this community and its brave people made by your government and the government of the province of Nova Scotia immediately following the mine disasters of 1956 and 1958. Respectfully submitted on behalf of the town council, the citizens' industrial committee, the board of trade, the Lions club, the local union No. 4514, and citizens, following a meeting held Tuesday, May 23, 1961.

There is certain proof of a plea to the government from the citizens of the areas concerned to take some definite action to remedy this most unfortunate situation. In his announcement on Tuesday, May 30, as reported at page 5567 of *Hansard*, the Minister of Mines and Technical Surveys mentioned two measures which were being introduced to partly take care of the situation. As a result I am glad to hear that one of the mines will extend its operations for a period of one year, but unfortunately the other two mines will probably close as scheduled.

In making this announcement the minister stated:

These two measures are being introduced to deal with the specific and immediate situation in the coal mining areas. The government of Canada is continuing to study the long term problems involved and the recommendations on the subject by the royal commission on coal, and further announcements will be made from time to time.

Before resuming my seat, Mr. Chairman, I would ask the minister not to delay these announcements; not to wait a period of four or five months, as he has done, to notify the house that he has received the report of the interdepartmental committee which was appointed to study the recommendations of the Rand report.

As I said before, I do not entirely agree with the recommendations of the Rand report. They would seriously affect the coal mines of New Brunswick. It appears that should the recommendations be implemented as such, the New Brunswick coal producers would be at a disadvantage compared with the Nova Scotia producers. The spread in subsidy payments between the two provinces is too apparent and will certainly be discriminating against the New Brunswick coal producers.

Furthermore, there is another recommendation in the Rand report to which there is objection. That is the restriction of subsidy payments to operators producing over 50,000 tons per year and the freezing in connection with existing operators to the maximum tonnage of the past three years. This will in effect prevent the modernization of present-day mining methods in the New Brunswick coal fields.

I may have further remarks to make on this matter, Mr. Chairman, but I feel I should resume my seat at this time. Again I wish to thank the minister for his statement and I urge the government to take definite action, not next year but at once, and evolve a long term policy which will take care of the displaced miners and will not only have the effect of further delaying closures of the Cape Breton mines.

Mr. Argue: Mr. Chairman, I rise to support the remarks made in favour of assistance to the coal mines and the coal miners of Nova Scotia. I think hon. members from all parts of the country recognize that there is a

serious situation affecting the coal mines in Nova Scotia. I think all of us support the vote that is being requested, and if there is criticism of the vote it will be that the amount is not adequate to deal with the conditions in that area.

In outlining in a very detailed way the purposes of the vote and the conditions in coal mines generally across the country, I think the minister held out very little hope for the future of the coal mining industry or coal miners themselves. When you take the minister's statement of this evening in conjunction with earlier announcements, it appears to me that the government, far from evolving a long term coal policy that would maintain the production of the coal industry in an efficient manner, is damning and condemning this industry to complete disaster and a final and complete shutting down. I do not think there is any other interpretation that hon. members can place upon the remarks made by the minister.

The minister says the government is working on a long term program; that the government is working on long term solutions; but as the government works on these so-called long term solutions it is allowing one mine after another to be closed down, the industry wrapped up and in very large part terminated.

I think it is difficult for anyone to argue in favour of maintaining an industry that is uneconomic and inefficient; but even if one should put this industry in that category I think there are particular reasons why the suffering that comes from a further shutdown in the mines should not be allowed.

I can see no economic advantage to the nation in closing down the Caledonia mine, putting the miners on relief and allowing suffering among the unemployed. The only way you can deal with the coal mining situation in a fair and equitable manner is in a full employment economy, and as long as there is widespread unemployment in the maritime provinces, and in Nova Scotia in particular, all the government's policy does is compound the misery that now exists.

As strongly as I can I want to tell the government that its policy is a failure as far as Nova Scotia is concerned. It is a failure as far as parliament is concerned. It is an admission of failure to keep on postponing this so-called long term policy while step by step the government allows the mines to be shut down, the industry wrapped up and the unemployed coal miners to suffer.

Many studies have been made of the coal mining industry in the past; many reports have been brought forward. One would expect that the government would take the information contained in these reports, come to some conclusions, announce a policy and go forward with that policy.

I tried on an earlier occasion this session by way of a motion to have the Vissac report made available to the house. This, the government refused to do. It buried the report. It concealed another report. It made this a secret document on the grounds that it was interdepartmental or had been prepared by a member of the coal board. I should like to know from the minister if he will tell me some of the recommendations contained in the Vissac report and why the government has felt it wise to cover up or conceal the recommendations which it contained. I understand that while that report has not been disclosed in the House of Commons, in the areas affected it has been in circulation and is relatively well known at least to some people who are closely connected with the industry.

I have in my hand a report of the royal commission on coal, 1959, and I could deal with it in various stages. I have been informed that this is the Vissac report. Looking through it I see nothing which would warrant the government concealing it. I cannot myself vouch that it is the Vissac report, but someone sent it to me through the mail and said that is what it is. The minister can deny, if he likes, that it is the report. There are some important recommendations in this document. The authors say that deep shafts must be put down near the water's edge if the mines are to be efficient. This, they say, is the way to cut down costs in the industry and enable it to carry on efficiently.

The proposals are contained in part 3 and they appear on page 27 of this document. The first item is headed "Subventions". This, I imagine, would give the minister sufficient information for him to be able to confirm or deny, if he wishes to do so, that this is the Vissac report. I think a report of this kind should be made available to all members of the house when the coal industry is being considered. I think we should be in possession of all the information that is available. I see nothing here which would suggest to me that the government is warranted in having concealed this document. My motion having been turned down in the House of Commons I am pleased that someone—I do not know who—should have put this in the mail and sent it to me with a note saying, this is the Vissac report.

Mr. MacInnis: Would the hon. member permit me to ask him a question? In reviewing the so-called Vissac report has he found in it any solution to the problem faced by the Nova Scotia miners?

Mr. Argue: I would say there are some suggestions—

An hon. Member: Answer the question.

Mr. Argue: I think some of the suggestions as to increasing the efficiency of the industry are important. But that is an appropriate question for the hon. member to address to the minister. The minister is the person responsible. He has the report. He would not give it to us. He has it, so ask the minister what he thinks is wrong with the Vissac report. Apparently he does think something is wrong because he has not brought in a policy. To one who is not an expert on the coal industry this report does seem to contain some suggestions which warrant consideration and which call for a statement from the minister.

I think the government has adopted the worst possible attitude. The attitude taken by the government is to drift, to postpone, to procrastinate, to allow, as it did yesterday, one of the coal mines to end its operations, putting miners out of work. The only concrete policy the government has as far as I know is the establishment of a scheduled date for the closing of two more mines. If the government is going to need time—it may need time; it may need more time than it has got—in order to formulate a policy I say that during that time coal miners should not be put out on the street. When the government says it intends to formulate a long range policy to deal with this situation I contend that in the meantime the mines should be kept in operation and the miners should be kept in employment. They should not be put out of work while the government continues to procrastinate and postpone.

Mr. Woolliams: Would the hon. member permit a question? Coming from a coal mining constituency in Alberta I have listened with great interest to the hon. member for Assiniboia. Would he say that the strip miners who can produce at 50 per cent less cost than the coal miners who work in the mines, should be prevented from stripping coal and doing it at 50 per cent of the cost? I am interested in the hon. member's answer.

Mr. Argue: Only a man with legal training could take a question like that with real seriousness.

Mr. Woolliams: On a point of order. I would say on a point of order, Mr. Chairman, that if the leader or the hopeful leader of the C.C.F. party does not know the answer to that question it is clear he knows nothing about coal mining in western Canada.

Mr. Argue: I did not think even the hon. member for Bow River would support so strongly the statement I made a moment ago, namely that only a legal mind such as his could concoct a question like that. Then he rose on a phony point of order, as even he is aware. This is the same old question. The hon. member says that if we are going to help the coal mniers of Nova Scotia we are bound to do damage to coal miners who are stripping coal instead of mining deep coal. That is the answer of the Tory party. It is the nearest thing to a policy I have heard tonight. Evidently there is no unity in the Tory party on this question. It is obvious that the hon. gentleman is not expressing support for an improvement of the disastrous conditions which affect the coal miners of Nova Scotia.

On other occasions this session I have asked the minister whether the government was making any progress in discussions with the Ontario hydro commission for the further use of coal in new plants which are being constructed. I should like to repeat that question tonight for the record. I should like to have a report from the minister on what progress is being made to develop a larger market with the Ontario hydro for Nova Scotia coal.

It has already been said that a capital development commission is necessary for the maritimes. I suggest that one way the government could deal with this whole situation would be to provide a large sum of money for a maritime development commission. This money could be used to assist the mines, to assist in the development of new industries, to improve economic conditions in Nova Scotia and the maritimes generally so that unnecessary hardship of this kind could be avoided.

I criticize the government not for what it is doing, but for what it is not doing, for its lack of policy and its failure to tell parliament what its policy will be, and its failure in the meantime to prevent suffering, loss of employment and loss of income among the miners until such time as the government has formulated a long term policy.

Mr. Woolliams: I should like to ask the hon. member a question. He has taken his seat but will he answer one question. What will he do about the Alberta soft coal in the bituminous areas which is in competition with natural gas and petroleum. Natural gas is now being used to heat the farms and the homes in urban centres where coal was used for this purpose. What would the hon. member do about this situation?

Mr. Argue: I can tell the hon. member that if it were my responsibility there would be a policy in very short order.

Mr. Pickersgill: Why not ask the hon. member what he would do?

Mr. MacInnis: The hon. member for Assiniboia is an hon. gentleman who has been

brought to the attention of hon. members as the potential leader of this so-called New party. I call to his attention the fact that according to the C.B.C. the other evening the other potential leader of the party announced that he had no intention of running in the riding of the hon. member for Assiniboia, and that he is not going to shoulder the hon. member aside. The hon. member can rest assured that he will have a riding to run in. He is not going to be shouldered aside.

The hon. member has indicated that if he had the opportunity to bring it about a policy would be announced in a very short time. I call his attention to the fact that the other potential leader has already announced his views on the coal situation. At a seminar in Montreal very recently he said he considered that coal was obsolete. This makes him very popular with the Cape Breton miners.

Mention was made of the Vissac report. I should like to take a few moments to say a few words on that report. Mr. Rand was considered an outstanding man in the labour field. He was appointed as chairman of the royal commission on coal. Everybody was in agreement on that. His reputation was such that we believed we could expect a very fine report from this gentleman. Of course, in all fairness, let it be said that the Prime Minister could not be accused of being politically partisan about the choice. We all know the political affiliations of Mr. Rand.

Following the presentation of the report, an interdepartmental committee was set up to study it. Is it any wonder that the committee has taken as long as it has to come to a decision on a report such as this? I passed my opinion on the Rand report 2½ hours after I saw it for the first time. I had made up my mind that it was not what we could rightfully expect. I call the committee's attention for a moment to page 15 of the report. This is what we find:

> What are left to these three modes of energy, apart from metallurgy and the chemical field, are large space heating, fuel for light and heavy industry, and thermal power. On the assumptions mentioned, if not at the moment, then within ten or fifteen years, in these there will probably be a field of competition into which coal may more effectively enter.

Anybody who studies the report can turn to pages 24 and 25 where this will be found:

> Within a period of say 15 years, supporting alternative sources of economic activity may be at a level permitting such a reduction without severe dislocation of men or community.

This is a direct contradiction of what the commissioner said 9 or 10 pages previously. If we turn to page 42 we shall find a further contradiction. Here the commissioner goes on to say:

> What may be suggested is that beyond 10 or 15 years—

The same number of years as mentioned previously in which he stated that coal could more effectively enter the market. I continue:

> What may be suggested is that beyond 10 or 15 years coal may be pushed still further into the background of fuels.

This is only a very slight indication of the number of contradictions that are to be found in this report. Is it any wonder that an interdepartmental committee had to take so much time to decipher what is meant? I should like to point out for the benefit of hon. members that the interdepartmental committee was set up to study the financial recommendations of the report and nothing else. The terms of reference of the committee did not contain anything whatsoever with respect to the closing of any collieries. They were specifically directed to study the financial recommendations of Mr. Rand.

Now the Vissac report comes into the picture. What happened was that the coal board was studying the Rand report. They found that it was not an easy task for a group of men sitting around a table to exchange ideas and put them across in that type of meeting. Therefore it was decided that each individual would take it upon himself to make a finding on the report and then exchange their findings among the group. This so-called Vissac report seemed to have everything.

I corresponded with the chairman of the dominion coal board and was advised by the then chairman, Mr. Uren, that this report was not to circulate outside the confines of the coal board itself. It was a departmental document and was not available to me at that time as a member of parliament. I had serious doubts as to whether or not it was confined within the board or department. In fact, I might go so far as to say I was quite sure it was circulated in Nova Scotia. Following upon the receipt of the correspondence from Mr. Uren I sent forward this information. That is the only thing I could have done. I was instructed that the report was circulated nowhere outside the board and was not available to me. I passed on this information to different locals. After I had done so it was brought to my attention by the executive of the united mine workers that they would send the report on to me in order to bring me up to date on what was going on in Ottawa.

The minister of mines in the Nova Scotia legislature had a copy of this report. He was asked to table it but he did not do so. He informed the Nova Scotia legislature that it was given to him as a confidential document and therefore he could not table it. I therefore suspect that everybody else who had it, had it under a confidential arrangement.

I have asked the hon. member for Assiniboia whether he found anything in the Vissac report pertaining to the situation in Nova Scotia that would give him any satisfaction. He said he found certain recommendations in the report which he felt would be of assistance if they were implemented. I would call to his attention the fact that he is not in agreement with the executive of the united mine workers because they made it quite clear as of November of last year that they had the report available and did not circulate it among the miners to whom they were supposed to be directing their assistance. At no time did they bring it to the attention of the local unions. They could not have been of the opinion that the Vissac report—

Mr. Argue: On a point of order, Mr. Chairman. It has been said I made the statement that this report contained solutions to the coal mining industry problem. This question was asked of me when I was speaking and I said I thought there were sufficient recommendations in the report to warrant—

Some hon. Members: That is not a point of order.

Mr. Argue: —this question being directed to the minister. I wanted to know from the minister if he thought it contained any valuable recommendations.

Mr. MacInnis: The hon. member is confused and the committee realizes he is by his own confession no expert on coal. Therefore I think he would depend on the information fed to him by the party supporters who are also among the executive directors of the united mine workers who have sat on that report since last November. They had it in their possession and if there was anything in it of any value to the miners of Cape Breton it was their solemn duty to circulate it among the men locally so they could have had the benefit of anything that Mr. Vissac saw fit to write. They failed to do that. I was ridiculed for not being able to get hold of the Vissac report in order to make it available to the members of the united mine workers but the same executive officers who saw fit to ridicule me admitted later that the report was available in their own executive offices last November. If it was as valuable as they claimed it was, why did they not use it among the miners?

I should like to come back to the remarks of the hon. member for Gloucester. Again we have had the rendition of a speech written by someone else.

Mr. Robichaud: On a point of order, Mr. Chairman, I had no written speech.

Mr. MacInnis: I will have to apologize to the hon. member. However, in lieu of more appropriate words may I say I am greatly surprised that one person should put together such a mess of inaccuracy. There was nothing accurate about anything he had to say other than the resolutions and correspondence he read which had been sent to him from Nova Scotia.

The hon. member made reference to production. He quoted some figures and he pointed out to the committee how the mining industry was backsliding. I should like to quote from Tuesday's *Hansard* certain statements with respect to conditions in the Nova Scotia mines. I should like first of all to call attention to the fact that not only did this member set himself up as an expert on coal mines but this self-advertised, self-appointed coal critic for the official opposition has made but one visit to Cape Breton, has seen the operations in Cape Breton on only one occasion and to my knowledge has never returned. Yet he has advertised himself and set himself up as the coal critic for the official opposition. I should like to call attention to page 5567 of *Hansard* and what the hon. member said following the minister's announcement last Tuesday. The hon. member said in part:

> However, as the minister indicated, this is an alternative assistance to prevent the immediate closure of the mines involved—

It is clearly indicated here, Mr. Chairman, that the hon. gentleman has no interest whatsoever because the minister's announcement in no way contained any assurance that the mines involved were going to be saved. If he had any interest in this particular matter he would have known that over a week ago the local papers carried the story that the Caledonia colliery would close not today, as he indicated this evening, but yesterday. If he had any personal interest in the Cape Breton mines he would have been aware of the fact that it was carried in the public press last week that the mines would be closed. The hon. member also said last Tuesday:

> The house and the country know very well that as early as 1958, at the time of the first major post-war shutdown—

He has tried to indicate to the house and to the country, Mr. Chairman, that the first major post-war shutdown took place in 1958 after the present government had taken office. I should like to bring him up to date on what has gone on. I have a list here that will show clearly not only to the house and the country but especially to the hon. member for Gloucester just when these shutdowns started and what was done about the matter or, to put it more accurately, what was not done about it. The list covers a total of 34

mines in the province of Nova Scotia which were closed between 1946 and 1956 under a Liberal administration that did not even see fit to call a coal conference.

I might even go further and say that when the former prime minister, Mr. St. Laurent, decided to call the premiers to Ottawa for a dominion-provincial conference Mr. Henry Hicks, the then premier of Nova Scotia, did not even attend the conference for the purpose of discussing coal problems or any other problems. He saw fit to go to a Liberal rally at Lunenburg. When the miners were faced with a problem in 1956 the same Mr. Hicks referred to them as wildcatters and told the miners at a meeting the following day that they could not expect him to forgo his election commitments to meet with them. That is the type of treatment we got from the Liberals between 1946 and 1956. The hon. member for Gloucester likes to refer to 1958 but I will bring him up to date with respect to what happened during that period.

Broughton mine closed in December, 1949. Dominion No. 1B closed in July, 1955, Dominion No. 2 in December, 1949, Dominion No. 11 in November, 1949, Dominion No. 24 in October, 1953. I might say that among these were some of the biggest producers in the coal fields. Lloyds No. 7 closed in April, 1956, Sullivan closed in March, 1946, Bras d'Or No. 5 in February, 1946, Franklin in May, 1957, Springhill No. 1 in July, 1954, Springhill No. 4 in November, 1956. May I say here that I am not referring to the Springhill closures in the same sense as other closures primarily because these mines were forced to close as the result of very serious and sorrowful disasters. Hillcrest closed in March, 1947, Filor in March, 1955, Jubilee in October, 1951, River Hebert in October, 1948, Riverside in August, 1951, Strathcona No. 2 in March, 1947, Waddell in November, 1952, Chignecto in May, 1948, Acadia No. 7 in October, 1947, Albion and McGregor in January, 1957, Allan in June, 1951, Wadden in January, 1953, Milford No. 2 in February, 1957, Campbell No. 1 in January, 1958, Chimney Corner in October, 1952, Inverness in September, 1951, Macdonald No. 1 in March, 1952, Macdonald No. 2 in January, 1953, Macdonald No. 3 in April, 1955, Macdonald No. 5 in March, 1953, MacEachern in December, 1953, Mabou in October, 1951, McLellan in December, 1957, Rosebank No. 1 in May, 1946, Rosebank No. 2 in April, 1957, Rosebank No. 5 in March, 1957, McDonald (Chestico) in March, 1949 and Kemptown in November, 1947.

That list clearly answers the reference of the hon. member for Gloucester to closures in 1958 and proves once and for all that the Liberals were the ones who laid down on the job and did nothing whatsoever to prevent any of those mines closing. I apologize for repetition but perhaps I might say something about the coal policies of the former administration. The hon. member for Bonavista-Twillingate likes to take exception to this but he was asked to apologize publicly in a front-page editorial. On a number of occasions he asked for the reference to this editorial and I gave it to him some time ago. He can clearly see for himself that he has been asked to apologize publicly for taking exception to the remarks of the Prime Minister.

Mr. Pickersgill: I wonder whether I could ask the hon. member a question. He has just said that he gave me that editorial. Can he tell me when he gave it to me?

Mr. MacInnis: The hon. member has quite purposely misinterpreted what I said. I did not say I gave him the editorial. I said that I gave him an indication of where the editorial was to be found, the reference.

Mr. Pickersgill: It was in a newspaper.

Mr. MacInnis: I gave him the date. I might point out to the hon. member that it cost me approximately $2.50 to get it for myself and he has the same opportunity. I was interested enough to get it in the form of a wire.

Mr. Pickersgill: I got mine free.

Mr. MacInnis: I notice you got it the cheap way. I was going to refer to the former prime minister's policy on coal. He wanted to leave it in the ground for future generations in order to manufacture synthetic materials.

Mr. Pickersgill: That statement is false.

Mr. MacInnis: He said to leave it in the ground. I might also point out to the hon. member something that was carried in the public press, that the former minister of fisheries received threats that he would be ridden out of a Nova Scotia town on a rail because of his remarks about the coal industry. I should like to hear the hon. member defend that.

Now, Mr. Chairman, I realize what I have said here this evening has not done anything on behalf of the Nova Scotia miners. However, I am quite sure hon. members opposite would not dare go down to Cape Breton and tell the miners what they did because the miners are well aware of what they did not do. These remarks I have made have done nothing to alleviate the situation.

I am very sorry to hear that the colliery in which I worked prior to coming to Ottawa has been closed down. I should like to say that at all times I have put forth every effort to prevent the collieries from closing.

Some hon. Members: Oh, oh.

Mr. MacInnis: I might say that in January of this year I made a remark for which I was severely criticized. No doubt the opposition has been made aware of this situation. I made the remark that I did not think the 800 miners at Caledonia were getting the support from their executive officers which they could rightly expect. There has been a rumour circulating at home within the last month or so that one colliery was going to be saved. I am very grateful to the minister and to this government for the efforts they have made to save this colliery. There is no doubt that it is the largest producer of the group, and if this mine were to close it would have a most disastrous effect. I am most grateful to the government for the efforts expended on behalf of this one mine.

I was severely criticized for saying the union executive was not giving the men the support they could rightly expect. The rumour which was spread throughout Cape Breton in recent weeks has become a fact. There is no doubt in my mind that arrangements were made between the union executive and the Dominion Coal Company in order to bring about a local preference. Once again, I want to mention the saving of one colliery because it is my belief that the union executive acted in bad faith when they did not continue to press for the continued operation of the three collieries. The executive should not have made any arrangement of any kind until the last shot was fired. They have indicated, by a local preference, that they were willing to give up on the other two collieries that were in danger. This is the type of representation we can expect from anybody who would support the New party.

I have continually pressed for the operation of these three collieries. So far as I am concerned, I have complete knowledge of the arrangement that has been made between the executive officers and the Dominion Coal Company. Now, the opposition may jump with glee, both the Liberals and the C.C.F., and say, "There is MacInnis making a statement that is going to be political suicide". I want to tell this committee, here and now, that my seat in this house does not mean as much to me as the operation of the mines in Cape Breton. If it takes political suicide on my part to bring out the truth in connection with this matter, I will bring it out. I would be doing a disservice to the miners and the different locals throughout Cape Breton if I did not make them aware of the fact they are not getting the representation from their union executive that they deserve.

What will come after this, Mr. Chairman? The remarks I have just made will be used over and over again during the election campaign. However, so far as I am concerned, I say again that the seat in the House of Commons does not mean as much to me as the welfare of these miners. I will bring out the truth now and any other time in respect of these conditions whenever I have an opportunity to do so; that is what I am doing now. The union executive failed the miners by not making representations down the line.

The hon. member for Gloucester referred to certain recommendations made by the union, namely the one cent tariff on imported oil. If anyone wishes to give this proposal consideration for a moment, he will realize that a tariff on oil imported into this country will do only one thing. It will increase the competition with which the coal industry is faced. This proposal will not do anything for the Canadian coal producer. If the tariff is such that it is going to knock off Canadian competition, it will only bring about an opportunity for the United States producers.

This leads me to the consideration of another point, Mr. Chairman. As early as 1952 and 1953, I advocated, in our own local union, that if Nova Scotia miners wanted to clear up the problems in respect of coal imported from the United States it was a matter of inter-union policy. At that time John L. Lewis in the United States had put himself into a position of co-operating with the coal mine owners by exporting coal and buying into the U.S. mothball fleet. My contention was that this made John L. Lewis a partner of the operators. If we wanted to avoid the importation of United States coal we could do it by working in our own backyard and getting after the president of our own international union.

This suggestion was ridiculed because there were those who put forward the argument, for their own purposes, that John L. Lewis was not an exporter of coal. I believe my opinion was confirmed within the last couple of weeks when John L. Lewis was found guilty by a United States court. This is a clear indication that his policies were in the interests of the large operators. I have made statements also to the effect that our own local union executive would be happy to see Mr. Lewis' policies inaugurated in Cape Breton; that is, fewer contented miners rather than a large number of discontented miners. I have been accused of being immoral and dishonest for making this statement, and yet these same union leaders went to the international convention but never thought about getting on their feet and telling Mr. Lewis

that these same policies he had put into effect in the United States were immoral and dishonest. They never thought about that, yet they referred to my statement as immoral and dishonest.

There is no doubt, Mr. Chairman, as I have said, that a lot of these statements are going to be repeated. I hope they are, because I think it is about time the air was cleared in so far as the activities of the executive officers of the union in Cape Breton are concerned. I have been accused in the press of many things since the January 10 meeting. They have accused me of being immoral and dishonest. One executive member, the vice president, has taken it upon himself to refer to me as a non-thinker. He said I had often called him a thief and a liar publicly. For the benefit of this committee I am saying that I have never called this man a thief and a liar. I am only repeating here what I have said at local union meetings; I have never called him a thief and a liar. I did, however, on a number of occasions refer to him as a scab and a liar. I have repeated this publicly before union meetings, and I can substantiate that by written evidence.

There is no doubt that the opposition think I am digging a grave. This may be so. However, in digging that grave I hope to bring to the attention of the miners in Cape Breton that their executive have let them down and it is time the miners cleared them out. I thought we were going to hear from the hon. member for Bonavista-Twillingate tonight.

An hon. Member: He is a fisherman.

Mr. MacInnis: Somebody says he is a fisherman. That may be true because all he spoke about down there was the tides that are running. They are running. Regardless of how he sees it, the hon. member for Bonavista-Twillingate knows that they are not running strong enough. His party will possibly come to the same grief as did his ship not too many years ago.

Before I resume my seat, Mr. Chairman, I should like once again to express my appreciation of the fact that at least this larger operation in Cape Breton has been salvaged for another year. It is my hope that developments will be such that in this year or possibly within a shorter time something may occur not only to save No. 16 colliery but Florence. Every effort on my part will continue, although the hon. member for Assiniboia seems to take objection to the fact that I have put forward certain efforts. He has denied the existence of certain correspondence. I invited other members of his party to rise in their places and deny that they had received this correspondence but they did not answer. After all, their preachments about and their interest in the coal mine situation is for one reason only and we are fully aware of what it is.

Mr. Pickersgill: I have no desire to enter into the private quarrel between the hon. member for Cape Breton South and the officers of the U.M.W. in his riding. I will leave that matter to them. Nor have I any particular interest in traversing the history from the years 1946 to 1956—

Some hon. Members: Oh, oh.

Mr. MacInnis: Will the hon. member permit a question?

Mr. Pickersgill: No, I will not permit a question until—

An hon. Member: You cannot answer it.

Mr. Pickersgill: I will not permit a question until I have finished my sentence. I say I have no particular interest in traversing the period from 1946 to 1956. However, if the hon. gentleman wishes it, I shall be very happy to do so before these estimates are passed. The situation with which we are faced today in Cape Breton ought to be talked about, not the situation existing between 1946 and 1956.

Mr. MacInnis: Will the hon. member permit a question?

Mr. Pickersgill: Yes; if the hon. gentleman wishes to ask one.

Mr. MacInnis: Will the hon. member for Bonavista-Twillingate not agree that it was not I who started to traverse history but rather the hon. member for Gloucester?

Mr. Pickersgill: I am not interested in arguing about that matter. What I am interested in is the fact that yesterday when I was in Sydney and Glace Bay a mine was closed. On August 1 another mine is going to be closed and hundreds of men are going to be thrown out of work with no alternative jobs. That is the situation in 1961.

Some hon. Members: Oh, oh.

Mr. Pickersgill: We in this committee cannot do anything about 1946 or 1956.

An hon. Member: You could have done something at one time.

Mr. Pickersgill: Yes; and in 1946 and in 1956 a miner, if he lost a job in Cape Breton, could get a job in another mine, either in Cape Breton or somewhere else, and he did so because we had full employment in those days.

Mr. MacInnis: I rise on a point of order, Mr. Chairman. The hon. member for Bonavista-Twillingate has just made a statement which is so far removed from the truth—

An hon. Member: Sit down.

Another hon. Member: There is no point of order.

The Acting Chairman (Mr. Chown): Order. If the hon. member for Cape Breton South alleges that there has been misrepresentation of his own remarks he may rise on a point of order and correct it. However, I do not see any point of order. It sounded more like a speech.

Mr. Pickersgill: As a matter of fact, Mr. Chairman, as I say, I am interested in talking about a situation that ought to be regarded by the government of this country as a national emergency because here is an industry—I refer to the historic and basic industry of Nova Scotia—that is dying.

An hon. Member: You have killed it.

Another hon. Member: The Liberal party is dying, too.

Mr. Pickersgill: Hon. gentlemen are determined to have the history. May I say that I will give them the history. I will give it to them in two words. In 1957, the present Prime Minister of this country went about the province of Nova Scotia, led by the hand by the present premier of Nova Scotia—I refer to Mr. Stanfield—and promised the people of that province that he would increase coal production. He went all over the province and did that. He deceived those people and got their votes by his deception. That is the history. Because the then prime minister, Mr. St. Laurent, was honest and truthful enough to say that he would not seek to increase coal production but that he would maintain it, he was misrepresented all over that area.

Mr. Pallett: I rise on a point of order, Mr. Chairman.

The Acting Chairman (Mr. Chown): Will the hon. member for Bonavista-Twillingate take his seat?

Mr. Pickersgill: I thought I had the floor.

Mr. Pallett: I rose on a point of order.

The Acting Chairman (Mr. Chown): The parliamentary secretary has risen on a point of order.

Mr. Pallett: The hon. member is so full of his own verbosity that he cannot hear. I rose on a point of order. It has been a long-established rule of the House of Commons that no allegation of deception shall be made against any hon. member. The hon. member for Bonavista-Twillingate should have enough experience to know that. I call upon him to withdraw that allegation.

Mr. Pickersgill: I do not regard that as being a point of order and I intend to continue. It does not seem to me that these interruptions we are getting from the other side are called for. Of course, hon. gentlemen opposite do not want their conduct in the last four years to be exposed. They do not want their lack of policy to be exposed. They do not want their deception to be exposed.

Mr. Pallett: Speaking to the point of order, Mr. Chairman, may I say that this point of order has not been disposed of.

Mr. Pickersgill: I do not even understand what the hon. gentleman is alleging.

An hon. Member: We did not expect you to do so.

Some hon. Members: Withdraw.

Mr. Denis: Withdraw the point of order.

The Acting Chairman (Mr. Chown): Order. I think perhaps the hon. member for Bonavista-Twillingate went a little bit further than he would normally go, judging by my knowledge of him as a member of this House of Commons. Perhaps he could modify his language in that regard in his remarks now and withdraw the rather pointed use of the words "deception" and "deceive".

Mr. Pickersgill: If the hon. member—

The Acting Chairman (Mr. Chown): May I continue? It appears that these other members think it was done with malice aforethought, so to speak, at the time. That imputation is not one that I should like to take from it. Possibly I misunderstood the hon. member. I know that he would want to withdraw the remarks if that is what he had in mind.

Mr. Pickersgill: If you, Mr. Chairman, think that I was suggesting that when the Prime Minister went about Nova Scotia promising to increase coal production, he deliberately did not intend to do it, may I say that I did not mean any such thing.

An hon. Member: You meant he had good intentions?

Mr. Pickersgill: Yes; we know the place that is paved with good intentions.

An hon. Member: And visions.

Mr. Pickersgill: I say that the Prime Minister, led about the province of Nova Scotia by the present premier, promised to increase coal production. He did that. I have dozens of references to those promises all

over the provinces. I said that in doing so he deceived the people into voting for him. That statement is a statement of fact.

Some hon. Members: Oh, oh.

Mr. Pickersgill: There has not been any increase in production. There has been a steady and increasing reduction of production which has followed. That is what I said. Of course, I do not think the Prime Minister knew enough about coal mining to have the faintest idea whether or not he could increase production. To quote one of the Prime Minister's colleagues, it was just another election promise. But my right hon. friend Mr. St. Laurent was also pilloried by both those gentlemen all over Nova Scotia—

Mr. Pallett: I rise on a point of order.

Mr. Pickersgill: —because he was honest enough and truthful enough to say—

Mr. Pallett: On a point of order, Mr. Chairman, the hon. member still has not withdrawn the remark about deception, and in fact he reiterated it. Your Honour has ruled that the hon. member has to withdraw the remark about obtaining votes by the use of deception, which is what the hon. member said and repeated. He knows this offends the rules. His emotions may be a little close to the surface because of the events of the last few days, but still he should act as a parliamentarian.

The Acting Chairman (Mr. Chown): I still take the view that, as provided in Beauchesne's fourth edition, the applicable rule under citation 155 is as follows:

> 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.

The word "deliberate" was used by the hon. member for Bonavista-Twillingate—

Mr. Robichaud: No.

Mr. Pickersgill: No, I never used the word "deliberate".

Mr. Robichaud: No; the hon. member said he did not use it.

The Acting Chairman (Mr. Chown): Order. I thought I heard the hon. member use the words "deliberately deceived". However, the word "deceived" itself implies to the Chair that there was some knowledge, or that the promise was made knowingly as one that could not be fulfilled. I think the language could be modified and I would ask the hon. member if he would do that, as is his custom in this chamber.

Mr. Pickersgill: I do not want to waste any further time, sir, and therefore I will say, particularly as Your Honour helped me a bit by using the word "knowledge", that I do not think the Prime Minister had any knowledge of the subject when he made those promises. I think it was simply an irresponsible promise. I put it this way: The promise was that coal production would be increased; the fact is that it has steadily and increasingly gone down. I will accept whatever Your Honour likes to call that. You can substitute any word you like, and I should like to go on with my speech. The fact of the matter is that because the Tory party promised, and got votes by promising, to increase coal production, they have never dared to face the facts of this problem.

Mr. Pallett: Would the hon. member be good enough to give the reference of that particular statement to which he now refers.

Mr. Pickersgill: If the hon. gentleman wants a few of them, I will give him lots of them and I will give them tomorrow in my own time.

Some hon. Members: Oh, oh.

Mr. Pickersgill: I refuse to be diverted by these—

Some hon. Members: Oh, oh.

Mr. Pickersgill: —questions from the point I am seeking to make. The point I am seeking to make is that anybody has been able to see ever since that slow down, to which my hon. friend from Gloucester referred, in 1958—

Mr. Henderson: He was in the oil business.

Mr. Pickersgill: Well, no doubt—

The Acting Chairman (Mr. Chown): Order.

Mr. Henderson: He was in the oil business; he wasn't interested in coal.

The Acting Chairman (Mr. Chown): I think the hon. member who has the floor should be given a little more adequate hearing and I would ask the committee to refrain from these persistent interjections and hear him out.

Mr. Pickersgill: Thank you very much, Mr. Chairman. I think it is really rather astounding, when you realize that the closing yesterday of this old mine that has been going for so many years and has provided a livelihood for so many of our fellow citizens leaving people with no alternative employment, seems to be a laughing matter to hon. gentlemen

opposite. I can tell them it is no laughing matter in Cape Breton. I am anxious to speak about this matter seriously and about what should be done now, and hon. gentlemen seem much more interested in going into the past than in considering what ought to be done about it now.

Mr. Sevigny: What do you suggest?

Mr. Pickersgill: Allow me to make the suggestions, instead of constantly interrupting.

Some hon. Members: Oh, oh.

The Acting Chairman (Mr. Chown): Order.

Mr. Pickersgill: The plain fact is that this government does not want any suggestions about this or anything else. They got suggestions from Mr. Rand last October and immediately appointed another committee to consider his suggestions; and now they have appointed a third committee to consider the report of that committee, and they are going to postpone that until after these estimates are over so that parliament cannot discuss the problem.

They got some other committee to provide another report, which the hon. member for Cape Breton South properly said was concealed by this government from parliament but distributed to everybody else. I agree with the hon. member in protesting against the conduct of the government and its disrespect of parliament in that regard. The plain fact is the government do not want this subject debated. They do not want attention drawn to it; they emphatically do not want to do anything about it because they have not the foggiest idea what to do.

Mr. Sevigny: What do you suggest?

Mr. Pickersgill: I suggest that if hon. gentlemen opposite had kept some of the promises they made in Moncton in 1957—

An hon. Member: We did.

Mr. Pickersgill: —and if they had set up the capital grants commission that they promised; if they had undertaken the program for the decentralization of industry that they promised—

An hon. Member: We did.

Mr. Pickersgill: —if they had arranged for the adjustment of freight rates that they promised; if they had given a preference in defence expenditures to that area which they promised, all those things could have helped the economy of Cape Breton over the last four years. But all those promises have been disregarded.

Mr. Sevigny: What about your own suggestions?

An hon. Member: They gave three-ring circuses.

Mr. Crouse: On a point of order, Mr. Chairman—

The Acting Chairman (Mr. Chown): Order.

Mr. Crouse: Mr. Chairman, the hon. member for Bonavista-Twillingate has just made a statement that has no basis in fact. He said that none of these promises that were made in Moncton had been implemented—

Mr. Pickersgill: That is not a point of order. Am I to be interrupted constantly?

Mr. Crouse: Practically all the Atlantic resolutions have been implemented and I have in my hands the Atlantic resolutions as advertised at that time.

The Acting Chairman (Mr. Chown): Order. If the hon. member for Queens-Lunenburg has a question to ask the hon. member, that is in order; but he has not raised a point of order.

Mr. Pickersgill: Mr. Chairman, I wish to go on.

Mr. Crouse: Practically all these resolutions have been implemented—

Mr. Pickersgill: Mr. Chairman, if the hon. gentleman has finished his babbling, may I go on? When I was interrupted I had cited four of the promises that were made at Moncton which have not been kept and which, if they had been kept, would have helped to stimulate the economy of the whole Cape Breton region. It is perfectly evident, and it has been perfectly evident, as the minister was honest enough to admit this evening,—

An hon. Member: Answer the question.

Mr. Pickersgill: —that because of technological advances of one kind and another the demand for coal is decreasing—

Mr. Sevigny: That is right.

Mr. Pickersgill: —and it is not going to increase, but that is not what was said when hon. gentlemen opposite were trying to get themselves elected. They said it would increase. They deceived the people by telling them they would increase it.

Mr. Sevigny: What about your suggestions; we have not heard them?

Mr. MacInnis: Mr. Chairman, on a point of order—

Mr. Pickersgill: It is perfectly obvious, it seems to me—

Mr. MacInnis: Mr. Chairman, the hon. member has just made a statement that we made

certain promises to get ourselves elected. I defy him or any other hon. member of this committee to pick out any such promises that I made. I made no election promises on coal or anything else.

Mr. Pickersgill: That is not a point of order.

The Acting Chairman (Mr. Chown): Order.

Mr. Pickersgill: Apparently the hon. member, who was at Moncton at that meeting—at least, his picture was there—did not read the resolutions that he—

Mr. Woolliams: On a point of order, Mr. Chairman—

The Acting Chairman (Mr. Chown): Order. Is the hon. member rising on a point of order?

Mr. Woolliams: Yes, Mr. Chairman. I thought this evening we were going to listen to something about coal, and all we have had is a lot of fishy information. I wonder whether we could get back to the subject matter.

An hon. Member: That is no point of order.

Mr. Pickersgill: Mr. Chairman, this is a new form of closure. We first have the mines closed and then, when a member gets up to speak about the closing of the mines, supporters of the government try to shut his mouth. That is the way the Tory party respects the rights of parliament.

Mr. Horner (Jasper-Edson): The hon. member talks about the closing of mines. I want to ask him—

The Acting Chairman (Mr. Chown): Would the hon. member take his seat, please?

An hon. Member: Name him. Throw him out.

The Acting Chairman (Mr. Chown): I shall have to ask hon. members to refrain from rising on excuses, fictitious or otherwise, to interrupt the hon. member who has the floor. I do not feel he has received a fair hearing and I would ask hon. members to refrain from rising on anything other than genuine points of order and also to refrain from making continuous interruptions which make it impossible for even the Chair to hear what the hon. member for Bonavista-Twillingate has to say.

Mr. Pickersgill: As I was saying—

Mr. Pallett: Would the hon. gentleman permit a question?

Mr. Pickersgill: No. As I was saying, it has been known by the present government since 1958 that there was not available through any of the ordinary existing commercial channels a market for even the amount of coal which was then being produced. The government agreed, therefore, to a holiday in 1958 and production in one way or another has been decreasing ever since. It is true that some expedients have been used and the government has always had our support in these expedients, to lengthen the time of the operation and to lengthen the period during which this matter could be considered. Because the government asked for time, first by appointing a royal commission and then because certain other measures were being pursued, in order to find a solution to this problem, the opposition, I think, showed a great deal of patience. The government have known for 15 months that they were faced with the closing of two or three mines this spring. They have allowed one of them to close and they intend to allow another to close without having taken a single step to provide alternative employment of any kind for the men who are being displaced.

Mr. Sevigny: What do you suggest?

Mr. Pickersgill: I suggest that the people elected to govern this country should govern it instead of asking the Liberals to do so. I suggest it was their duty many months ago to provide alternative employment and not to come here the day before the first mine is closed and say "Here is $1,500,000 to help these people but we do not know how to spend it; we invite suggestions."

Mr. Woolliams: Is this on coal?

Mr. Pickersgill: Yes, it was in the minister's statement on coal but no doubt the hon. member was not here, or if he was here he was not listening. It is set out at page 5567 of *Hansard*.

Mr. Horner (Acadia): You were not here.

Mr. Pickersgill: True, I was not here. I was down at the coal mines.

Mr. Pallett: Is the hon. member objecting to that expenditure?

Mr. Pickersgill: No. I would just like to know exactly what the money is going to be spent on.

These are the minister's words as reported on page 5567:

> Parliament will therefore be asked to provide an amount of $1.5 million which will be set aside for approved projects to provide alternative employment this year in the Cape Breton area. Such projects will be considered on their individual merits taking into account the degree of participation by the province in each case.

Good Lord. They let the mine close, and the day before, they say, "We shall ask parliament to appropriate $1.5 million but we have not the faintest idea what will be done with it; we hope someone will come along with a few suggestions." That is the policy of this government. That is what they

are asking us to support. That was all they could bring up the day before these men were thrown out of work.

There are all kinds of things that could be done in that area. Why do members opposite not carry out their promise to decentralize industry? They came in with the baby budget with its silly suggestion that if some places would call themselves distressed areas, and if the government were to agree that they were, and then if some company would come along and say it would build a plant there it would get double depreciation allowance for one year. They think that is going to result in the decentralization of industry.

Mr. Pallett: Tell us about the Gordon report.

Mr. Pickersgill: The Gordon report gave hon. gentlemen opposite one of the few good ideas they have ever had, the idea of a capital grants commission. If that capital grants commission had been established and put to work in the Atlantic provinces there would be jobs in Cape Breton now waiting to be done.

Mr. Pallett: There would be nobody left there at all.

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

Mr. Pickersgill: Not at this moment. Everybody knows that the province of Nova Scotia has not proceeded nearly as fast as was hoped with the construction of the trans-Canada highway across Cape Breton.

Mr. Woolliams: What has this to do with coal?

Mr. Pickersgill: If the hon. member would only listen he would find out. That project is being held up because the government of Nova Scotia has not enough money to pay its 50 per cent. But if the suggestion put forward by members on this side every time the trans-Canada highway has been discussed in this house had been accepted, namely that in the Atlantic provinces 90 per cent of the cost should be borne by the federal government, that road would be well under way and there would be some work there.

Mr. Horner (Jasper-Edson): On a point of order—

Mr. Pickersgill: Surely we are not going to have any more of this closure by phony points of order.

Mr. Horner (Jasper-Edson): It is not phony at all. The hon. member has been talking about the trans-Canada highway. I understand we are talking about coal. The hon. member has not mentioned in all this time the ten mines and the 10,000 people who were put out of work in the time of his regime in my constituency and I suggest he get back to the coal mining problem if he wants to talk on this subject.

The Acting Chairman (Mr. Chown): I have heard the point of order but I think the hon. gentleman, under considerable difficulty, has been relating his oration reasonably well to the item under consideration.

Mr. Pickersgill: I will relate it very directly. We have the Assoicate Minister of National Defence asking for suggestions as to what is to be done for these displaced miners, yet when one makes suggestions phony points of order are raised. The relationship is this—

Mr. Horner (Jasper-Edson): Mr. Chairman, on a point of order—

The Acting Chairman (Mr. Chown): There is no point of order. Is the hon. member rising on a question of privilege?

Mr. Horner (Jasper-Edson): Yes. I rise on a question of privilege. The hon. member has suggested that his remarks with regard to the trans-Canada highway were not out of order. What I am suggesting to him is that I have a number of coal miners—

The Acting Chairman (Mr. Chown): Order. I have heard the hon. member's question of privilege. I think it is unfair to the member who has the floor in that he has been interrupted on numerous occasions on points I have ruled on or points I could not have ruled on because they were neither points of order nor questions of privilege. I want the hon. gentleman to remain in his seat please because there is very little time left for the hon. member for Bonavista-Twillingate and I think he should be allowed to complete his speech.

Mr. Pickersgill: In his opening speech on the coal board this afternoon the Minister of Mines and Technical Surveys told us frankly and straightforwardly—and I think it is the first time a spokesman for the government has ever done this—that the coal industry was going down hill, and it was going to continue to go down hill, and that there was going to be less and less employment in the coal industry. He indicated that the problem was to try to slow down this decline, with which we agree, of course, and also to try to find jobs for the people who were going to lose their jobs as miners. Surely nothing could be more important; surely nothing could be more relevant to this item, and surely no hon. member should try to prevent from speaking any member who is trying to suggest some solution of that problem. This I find hard to understand.

I say that if that highway were being built now there would be work. I say that if some of these suggestions Mr. Justice Rand made

had been implemented at once they would have provided work. This government cannot make up their minds to do anything about those problems. They cannot decide even to do something that would do them great credit if they would only do it.

I say, sir, that while we should seek in every possible way, by the diversion of government purchases, by assistance in any kind of useful works to provide a stopgap, I do not think any of us, having in mind the history of Nova Scotia, and having in mind the position of Cape Breton island, can placidly contemplate the steady decay of that old industrial complex there. Surely we have enough energy and enough public initiative, if there is not enough private initiative for it, to get some secondary industry established there and provide some real incentives to do it.

Mr. MacInnis: You never did.

Mr. Pickersgill: The hon. gentleman says that we never did. We made a proposal in 1957, and if it had been carried out in the form in which it was made it would have provided for the consumption of a very considerable quantity of coal which is now being consumed in the dominion, because our proposal was that those thermal plants should be owned by the federal government and not by the provincial governments or power companies, and the federal government could have afforded for a number of years to bear the carrying charges to operate them if necessary at a loss in order to give a stimulus to the region. But what happened? For reasons which I have never been able to understand, the premiers of Nova Scotia and New Brunswick first accepted that proposal enthusiastically and then changed their minds and said they did not want it that way. They wanted those plants to be provincially owned. What happened in New Brunswick? The thermal plant does not use coal at all. The Minister of Forestry, who was then the premier of that province, notwithstanding this great coal problem, allowed them to use oil instead. This is what this government has contributed to the solution of this problem in that particular respect. It is true the Trenton plant has been completed but nothing more has been done.

The hon. gentleman asked for suggestions. I have another suggestion. I suggest that for a period of years the federal government should agree to provide electricity at no cost for a number of secondary industries in Cape Breton.

Mr. MacInnis: Walter Gordon would not go for it.

Mr. Pickersgill: I am suggesting—

The Acting Chairman (Mr. Chown): Order. I regret to inform the hon. member that his time has expired. He will have another opportunity at another time.

Mr. Woolliams: Mr. Chairman, I have been very interested in the remarks of the hon. member for Bonavista-Twillingate, and particularly in the remarks of the aspiring leader of the C.C.F.-New party group or whatever they wish to call themselves, because I could take both of them down into the constituency of Bow River and show them a graveyard in which they erected the stones in reference to the coal mining industry. If they had listened on July 25, 1955 to the then leader of the Conservative party, Mr. Drew, the coal mines of western Canada might not be in the mess they are in today.

I should like to have had the hon. member for Bonavista-Twillingate campaigning in the Bow River constituency in 1957. The Liberal party had an outstanding candidate, a man of integrity, from Acme, Alberta, campaigning in that riding and he was not able to collect together enough people in the coal mining areas to fill a clothes closet because they were entirely deserted by the former administration. The reason he was unable to get together a small group was that the former government did nothing for the coal mining industry in western Canada. As early as—

Mr. Pickersgill: What have you done about it?

Mr. Woolliams: The hon. member did not leave me much time, but if he will just bear with me I will tell him. I hope he will attend the House of Commons tomorrow because he will then see that we were able to get a market for 500,000 tons of coal—this is my answer to the hon. member for Bonavista-Twillingate—in Japan, a great new market, to give men and women in the province of Alberta jobs which they did not have when this government took office.

Resolutions adopted in committee of supply this day reported and concurred in.

BUSINESS OF THE HOUSE

Mr. Pickersgill: I wonder whether the house leader could confirm the business for tomorrow and Saturday and give us any indication he is able to for next week.

Mr. Churchill: The indication of the business for next week will be given, I hope, tomorrow night. For tomorrow we will carry on with the estimates of the Department of Mines and Technical Surveys, followed by secretary of state, followed by fisheries. If these three are concluded, then the Department of Public Works.

At 10.30 p.m. the house adjourned, without question put, pursuant to special order.

ANSWERS TO QUESTIONS

The following answers, deposited with the Clerk of the house, are printed in the official report of debates pursuant to standing order 39:

LIGHTHOUSE KEEPER, JEANETTE'S CREEK, ONT.

Question No. 221—**Mr. Martin (Essex East):**

1. Has a new lighthouse-keeper been appointed at Jeanette's creek in Essex county?

2. Was the new appointment made on the recommendation of a person or persons residing in Essex county?

3. If not, what are the names and addresses of persons recommending the new appointee?

Answer by: **Hon. Leon Balcer (Minister of Transport):**

1. Yes.

2. No.

3. Mr. H. W. Danforth, M.P., Blenheim, Ont.

Questions

SUPERINTENDENT, CARILLON-GRENVILLE CANAL—APPLICANTS FOR POSITION

Question No. 246—**Mr. Latour:**

1. What are the names of all candidates who have applied in the competition held on May 3 and completed on May 15, for the position of superintendent of the Carillon-Grenville canal in the constituency of Argenteuil-Deux Montagnes, and to which position an appointment was made on May 17?

2. Did all the candidates appear personally before the board to be put through an oral or written examination?

3. Was the fact that one of the candidates was a veteran of the 1939-45 war, whose regimental number was 179-226, taken into account?

Answer by: **Hon. Noel Dorion (Secretary of State):**

(Translation):

1. The only two competing candidates have qualified in the following order:

Mr. Leopold Crevier.

Mr. Marcel Decary.

2. No.

3. No. This is a competition for promotion and the overseas service priority only applies in the case of entrance examinations for the civil service.

Supply—Items Passed

(Text):

[The following items were passed in committee of supply]:

DEPARTMENT OF MINES AND TECHNICAL SURVEYS

A—Department—

Administration services—

Departmental administration—

202. Administration, operation and maintenance, $1,087,947.

203. Acquisition of common-use field survey and other equipment, $247,300.

204. Explosives Act administration, $111,648.

205. Mineral resources division, $385,471.

206. Assessment for membership in the Pan-American institute of geography and history, $9,150.

Surveys and mapping branch—

207. Branch administration including a grant of $1,000 to the Canadian institute of surveying and photogrammetry, $171,588.

208. Geodetic survey of Canada, $935,434.

209. International boundary commission including authority to make recoverable advances in amounts not exceeding in the aggregate the amount of the share of the United States government of the cost of binding annual reports and maintaining boundary range lights, $88,799.

Topographical surveys—

210. Administration, operation and maintenance, $2,209,626.

211. Construction or acquisition of equipment, $92,000.

Canadian hydrographic service—

212. Administration, operation and maintenance including Canada's fee for membership in the international hydrographic bureau, $5,370,081.

213. Construction or acquisition of buildings, works, land and equipment, $7,633,030.

214. Legal surveys and aeronautical charts, $844,905.

215. Provincial and territorial boundary surveys including authority to make recoverable advances in amounts not exceeding in the aggregate the amounts of the shares of the provincial governments of the costs of the surveys, $19,785.

Map compilation and reproduction—

216. Administration, operation and maintenance $1,642,306.

217. Construction or acquisition of equipment, $39,900.

Geological survey of Canada—

218. Administration, operation and maintenance including Canada's share of the cost of the geological liaison office, British Commonwealth scientific conference, London, England, and $75,000 for grants in aid of geological research in Canadian universities, $4,937,624.

219. Construction or acquisition of equipment, $366,210.

Mines branch—

220. Administration, operation and maintenance, $4,480,543.

221. Construction or acquisition of buildings, works, and equipment, $327,552.

Geographical branch—

222. Administration, operation and maintenance including the expenses of the Canadian board on geographical names (formerly under surveys and mapping branch administration) and a grant of $500 to the Canadian association of geographers, $500,626.

Dominion observatories—

Dominion observatory, Ottawa and field stations—

223. Administration, operation and maintenance including the expenses of the national committee for Canada of the international astronomical union, Canada's fee for membership in the international astronomical union and a grant of $3,500 to the royal astronomical society of Canada, $1,568,575.

224. Construction or acquisition of buildings, works, land and equipment, $493,050.

Dominion astrophysical observatory, Victoria, B.C.—

225. Administration, operation and maintenance, $206,013.

226. Construction or acquisition of buildings, works, land and equipment, $160,600.

General—

227. Purchases of air photography and the expenses of the interdepartmental committee on air surveys, $1,300,000.

228. Polar continental shelf project, $1,553,595.

END OF VOLUME V